U.S. Environmental Protection Agency

Office of Air and Radiation

Draft

FY 2009 National Program & Grant Guidance

February 20, 2008

Contents

Executive Summary

I. Program Office – Office of Air and Radiation: This document describes air and radiation program implementation priorities and milestones for Fiscal Year (FY) 2009 and provides information on the use and prospective allocation of FY 2009 state, local, and tribal assistance grants (Appendix A).

II. Introduction/Context: The information in this document supports achievement of the objectives, sub-objectives, and strategic targets in EPA's 2006–2011 Strategic Plan and the performance goals in EPA's FY 2009 Annual Performance Plan and Congressional Justification.

A. Organization of the Technical Guidance: The main body of the guidance (not the appendices) is organized into five chapters – Outdoor Air, Indoor Air, Stratospheric Ozone, Radiation Protection, and Climate Change. These chapters correspond to the Objectives in the Goal 1—Clean Air and Global Climate Change section of EPA's 2006-2011 Strategic Plan (http://epa.gov/ocfo/plan/plan.htm). Each chapter begins with the sub-objectives and strategic targets from the Strategic Plan and discusses the overall strategy for achieving the objective. This information informs the reader of the longer-term outcomes and results being pursued, and sets the stage for program subsections that present more detailed strategies and specific implementation activities. For instance, the Outdoor Air chapter contains subsections that reflect the different roles and responsibilities of the partners/co-regulators. One subsection speaks to the federal role and another speaks to the roles of state, local, and tribal air quality management agencies. In other chapters, the subsections are based on the type of activity rather than who performs the activity. The Stratospheric Ozone chapter, for example, is subdivided into domestic vs. international activities, whereas the Indoor Air chapter is subdivided into environmental contaminants/asthma triggers and radon.

B. Organization of the Grant Guidance (Appendix A): Appendix A provides information and guidance on selected program areas supported by grant assistance. It highlights the major changes impacting program grants in FY 2009 both programmatically and administratively. Appendix A is divided into six sections: an executive summary which highlights major developments affecting FY 2009 grant assistance, fundamental elements of sound grants management, areas of emphasis and change in programs supported with grant assistance, a dedicated section on ambient air monitoring programs, a preliminary FY 2009 air grant allocation, and information on the FY 2009 state indoor radon grant program and grant allocation.

III. Priorities for Regional Offices:

A. OAR Priorities: OAR's top priorities for the Regions in FY 2009 are:

1. Ozone, $PM_{2.5}$, and Regional Haze. Act on state implementation plan (SIP) submissions and redesignation requests including regional haze control strategy plans; assist in designating areas for the 2006 $PM_{2.5}$ standard; and after designations are final, begin working with states on their attainment plans.

2. Clear Air Interstate Rule. Assist states with CAIR emissions monitoring and reporting and EPA assists states and sources in initial compliance year for CAIR annual NO_X control program.

3. Ambient Monitoring. Work with co-regulators to assess current PM ambient monitoring networks to improve both their efficiency and the robustness of the data collected, and assist with implementing $PM_{10-2.5}$ sampling as part of NCore multi-pollutant network requirements and in locations where low-volume PM_{10} and $PM_{2.5}$ monitors exist.

4. Mobile Sources. Implement the National Clean Diesel Campaign, assist with and comment on conformity determinations, process conformity-related SIP revisions, and make determinations and act on mobile budgets at time of SIP processing.

5. Air Toxics. Delegate and provide assistance to co-regulators for section 111, section 112, and section 129 standards; and, increase emphasis on implementing programs and activities that contribute to reducing exposure to air toxics in areas that are experiencing disproportionate impacts.

6. Title V Permits. Work on permitting the pollution sources that remain to be permitted.

7. Indoor Environments. In implementing programs that addresses indoor air quality issues, increase emphasis on programs and activities that contribute to reducing asthma attacks in areas that are experiencing disproportionate impacts.

B. Regional Priorities: In Fall 2005, the Deputy Administrator asked the Regions to identify a limited number of Regional priorities. The air-related priorities identified by the Regions through that process are consistent with and support OAR priorities. They are:

1. Improve Air Quality to Attain the National Ambient Air Quality Standards, including developing and processing SIPs and requests for redesignations to attainment.

2. Reduce Diesel Emissions by helping entities implement diesel emissions reductions projects.

3. Improve the Energy Performance of Buildings by conducting outreach and other activities in support of Energy Star Buildings benchmarking.

IV. Implementation Strategies: The toolkit of air and radiation implementation strategies includes regulatory and statutory activities, market-based program activities, partnership and community-based activities, and activities related to developing or implementing innovative approaches. Regions choose the mix of strategies and activities most appropriate for their circumstances and prevailing environmental issues while also addressing base program requirements. These strategies are described in more detail in the technical sections of this document. Additionally, OAR encourages use of innovative tools and strategies including: 1) the National Environmental Performance Track Program (http://www.epa.gov/performancetrack/); 2) Environmental Management Systems (EMS) (http://www.epa.gov/ems/); and, 3) the

Environmental Results Program (ERP) (http://www.epa.gov/permits/erp/index.htm). States and tribes may be able to use these or other innovative tools.

V. Measures: OAR and Regions collaborated to develop and agree upon the regional performance measures/commitments listed in Appendix B.

VI. Tracking Progress: OAR tracks progress through existing monitoring, data reporting, and information systems used by OAR, Regions, and state, local, and tribal agencies, and through the Annual Commitment System. We also track and discuss program progress via conference calls, face-to-face meetings, and the exchange of written information.

VII. State and Tribal Assistance Grants: Priorities for the use of FY 2009 air grant resources are outlined in the State and Local Air Quality Management subsection. Appendix A provides more information on specific grant topics including new initiatives, areas of changing emphasis such as monitoring, and associated program support. It also contains preliminary, national Region-by-Region allocations for state and local air quality programs and for state indoor radon grants. A tribal air grant allocation and the distribution of funds for certain competitive grant programs will be provided at a later date.

VIII. Program Contacts:

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Healthier Outdoor Air

Objective 1.1 – Healthier Outdoor Air. Through 2011, working with partners, protect human health and the environment by attaining and maintaining health-based air quality standards and reducing the risk from toxic air pollutants.

Sub-objective 1.1.1: Ozone and $PM_{2.5}$. By 2015, working with partners, improve air quality for ozone and $PM_{2.5}$ as follows:

Strategic Targets:

- By 2015, reduce the population-weighted ambient concentration of ozone in all monitored counties by 14% from the 2003 baseline.

- By 2015, reduce the population-weighted ambient concentration of $PM_{2.5}$ in all monitored counties by 6% from the 2003 baseline.

- By 2011, reduce emissions of fine particles from mobile sources by 134,700 tons from the 2000 level of 510,550 tons.

- By 2011, reduce emissions of NO_X from mobile sources by 3.7 million tons from the 2000 level of 11.8 million tons.

- By 2011, reduce emissions of volatile organic compounds from mobile sources by 1.9 million tons from the 2000 level of 7.7 million tons.

- By 2018, visibility in eastern Class I areas will improve by 15% on the 20% worst visibility days, as compared to visibility on the 20% worst days during the 2000-2004 baseline period.

- By 2018, visibility in western Class I areas will improve by 5% on the 20% worst visibility days, as compared to visibility on the 20% worst days during the 2000-2004 baseline period.

- By 2011, with EPA support, 30 additional tribes (6 per year) will have completed air quality emission inventories. (FY 2005 baseline: 28 tribal emission inventories)

- By 2011, 18 additional tribes will possess the expertise and capability to implement the Clean Air Act in Indian country (as demonstrated by successful completion of an eligibility determination under the Tribal Authority Rule). (FY 2005 baseline: 24 tribes)

Sub-objective 1.1.2: Air Toxics. By 2011, reduce the risk to public health and the environment from toxic air pollutants by working with partners to reduce air toxics emissions and implement area-specific approaches as follows:

Strategic Targets:

- By 2010, reduce toxicity-weighted (for cancer risk) emissions of air toxics to a cumulative reduction of 36% from the 1993 baseline. (Note: Text reflects information more current than that published in 2006 Strategic Plan.)

- By 2010, reduce toxicity-weighted (for non-cancer risk) emissions of air toxics to a cumulative reduction of 59 % from the 1993 baseline. (Note: Text reflects information more current than that published in 2006 Strategic Plan.)

Sub-objective 1.1.3: Chronically-Acidic Water Bodies. By 2011, due to progress in reducing acid deposition, the number of chronically-acidic water bodies in acid-sensitive regions of the northern and eastern United States should be maintained at or below the 2001 baseline of approximately 500 lakes and 5,000 kilometers of stream-length in the population covered by the Temporally Integrated Monitoring of Ecosystems/Long-Term Monitoring Survey. The long-term target is a 30% reduction in the number of chronically-acidic water bodies in acid-sensitive regions by 2030.

Strategic Targets:

- By 2011, reduce national annual emissions of sulfur dioxide (SO_2) from utility electrical power generation sources by approximately 8.45 million tons from the 1980 level of 17.4 million tons, achieving and maintaining the acid rain statutory SO_2 emissions cap of 8.95 million tons.

- By 2011, reduce total annual average sulfur deposition by 30% from 1990 monitored levels of up to 25 kilograms per hectare for total sulfur deposition.

- By 2011, reduce total annual average nitrogen deposition by 15% from 1990 monitored levels of up to 11 kilograms per hectare for total nitrogen deposition.

EPA's strategy for achieving the results expressed above combines national and local measures, reflecting different federal, state, tribal, and local government roles. We have found that problems with broad national impact—such as emissions from power plants and other large sources and pollution from motor vehicles and fuels—are best handled primarily at the federal level. States, tribes, and local agencies can best address the regional and local problems that remain after federal measures have been fully applied.

EPA, states, and local agencies work together to meet clean air goals cost-effectively by employing various regulatory, market-based, and voluntary approaches and programs. States are primarily responsible for improving air quality and meeting the National Ambient Air Quality Standards (NAAQS). States develop emission inventories, operate and maintain air monitoring networks, perform air quality modeling, and develop state implementation plans (SIPs) that lay

out the mobile and stationary source control strategies they will employ to improve air quality and meet the NAAQS.

EPA assists states by providing technical guidance and financial assistance, issuing regulations, and implementing programs designed to reduce pollution from the most widespread and significant sources of air pollution: mobile sources, such as cars, trucks, buses, and construction equipment; and stationary sources, such as power plants, oil refineries, chemical plants, and dry cleaning operations. Interstate transport of pollutants—a problem no state can solve on its own—makes a major contribution to air pollution problems in the eastern U.S. To address this issue, EPA requires control of upwind sources that contribute to downwind problems in other states.

EPA has a trust responsibility to protect air quality in Indian country, but authorized tribes may choose to develop and implement their own air quality programs. EPA and states are working to increase the currently limited information on air quality on tribal lands, build tribal capacity to administer air programs in Indian country, and establish EPA and state mechanisms to work effectively with tribal governments on regulatory development and regional and national policy issues.

To further reduce exposure to air toxics, EPA will develop and issue federal standards for major stationary sources which, when implemented through state programs, will reduce toxic emissions by 1.7 million tons. In addition, we will conduct national, regional, and community-based efforts to reduce risks from hazardous air pollutants. Characterizing emissions and the risks they pose on national and local scales, such as in Indian country, will require significant effort. We will need to update the science and to keep the public informed about these issues.

We will develop and refine tools, training, handbooks, and information to assist our partners in characterizing risks from air toxics, and we will work with them on strategies for making local decisions to reduce those risks. We will work with state, tribal, and local agencies to modestly expand the national toxics monitoring network, and will compile and analyze information from local assessments to better characterize risk and assess priorities.

Our strategies for achieving healthier outdoor air are implemented through the following seven programs:

- Clean Air Allowance Trading Programs
- Federal Vehicle and Fuels Standards and Certifications
- Federal Stationary Source Regulations
- Federal Support for Air Quality Management
- Federal Support for Air Toxics Management
- State and Local Air Quality Management
- Tribal Air Quality Management

The first five programs are federally-implemented programs and the latter two are grant programs that support state, tribal, and local air program implementation. All these programs and their priorities for FY 2009 are described below.

CLEAN AIR ALLOWANCE TRADING PROGRAMS

The program includes development, implementation, and evaluation of federally-administered emission reduction programs that include the trading of emissions allowances. Trading programs help implement the NAAQS and reduce acid deposition, toxics deposition, and regional haze. Pollutants include SO_2, NO_X, and mercury (a co-benefit of SO_2 emission reductions). Current operating programs include the Acid Rain Program authorized under Title IV of the 1990 Clean Air Act (CAA) Amendments and the NO_X Budget Program (NBP), which was initially established in the late 1990s under a Memorandum of Understanding among nine states and D.C. in the Northeast Ozone Transport Region (OTR). The NBP expanded under the NO_X SIP call to double the number of affected sources and add 12 states from the Midwest and Southeast. In FY 2009, states and sources in the NBP will complete their transition into the CAIR seasonal NO_X control program. An additional six states in Regions 4, 5, 6, and 7 and over 600 additional sources that were not subject to the NBP will join the CAIR seasonal NO_X control program beginning in FY 2009. The initial compliance season is May 1 – September 30, 2009.

Strategy

Our strategy for using allowance trading programs to promote more cost-effective pollution control and achievement of environmental objectives includes four components:

- *Clean Air Interstate Rule (CAIR)*: Continue implementation of this rule, promulgated in May 2005, which uses the proven cap-and-trade approach based on EPA's Acid Rain Program to achieve substantial reductions in SO_2 and NO_X. CAIR is a powerful component of EPA's plan to help over 450 counties in the eastern U.S. meet health-based protective air quality standards for ozone or $PM_{2.5}$. All the affected states have indicated to EPA that they intend to achieve the mandated reductions primarily by controlling power plant emissions through an EPA-administered interstate cap-and-trade program. By FY 2009, states should finalize all CAIR-related rulemakings and ensure that regulated sources are monitoring their emissions. The initial compliance year for the CAIR-PM NO_X control program begins on January 1, 2009 and the initial compliance season for the CAIR-Ozone NO_X control program begins on May 1, 2009. In addition, SO_2 emissions monitoring and reporting are required throughout 2009 for states and sources subject to the CAIR-PM control program.

- *Existing Programs:* Implement, operate, and assess existing allowance trading programs, including the new programs and revisions to existing programs established under CAIR.

- *New Statutory Authority:* If Clear Skies or comparable multi-pollutant program legislation is enacted, EPA will work to develop implementing regulations. Modern statutory authority that applies nationwide could be an efficient long-term mechanism for achieving large-scale multi-pollutant emission reductions.

- *Program Accountability:* Establish an integrated assessment program to include enhanced ambient and deposition monitoring, efficiency measures, and indicators to track health and environmental benefits, as called for in the recent report by the National Academy of Sciences. Operate, maintain, and modernize the Clean Air Status and Trends

Network (CASTNET) monitoring network consistent with NAS recommendations, and evaluate incorporating atmospheric mercury speciation and deposition monitoring capability. Under the President's Management Agenda (PMA) and Program Assessment Rating Tool (PART) processes, program accountability—measured in terms of environmental outcomes from defined baselines—has become an essential component for all programs.

Discussion

A high priority for FY 2009 is to continue timely and full implementation of the CAIR annual and seasonal programs. The centralized allowance trading program that EPA has operated for the NBP and its predecessor Ozone Transport Commission (OTC) program since 1999 will discontinue in 2009 and be absorbed into the larger CAIR seasonal trading program. The first compliance year for the annual CAIR NO_X control program operations begins on January 1, 2009 and the first season for the seasonal NO_X control program begins on May 1, 2009. The annual NO_X allowance trading market is a new program, modeled after the Acid Rain SO_2 allowance system, but separate and distinct from both the Acid Rain and the seasonal NO_X allowance trading markets. Six additional states not affected under the NBP will be subject to the CAIR seasonal NO_X control program beginning in FY 2009 and intend to participate in the seasonal NO_X allowance trading market.

In FY 2009, EPA will continue to assist states with implementation, especially activities related to allowance trading, emissions monitoring, and end-of-season reconciliation of emissions and allowances for affected sources. Affected units include boilers, turbines, and combined cycle units from a diverse set of industries as well as electric utility units. Required SO_2 emissions monitoring and reporting for CAIR begins on January 1, 2009. The initial compliance year for the SO_2 control program under CAIR-PM is 2010.

Critical to determining the effectiveness of, and maintaining the accountability for, allowance trading programs for control of transported air pollutants is the establishment and maintenance of a robust long-term atmospheric deposition monitoring network. The existing deposition monitoring networks have been operating for over 25 years, and have provided invaluable measurements on long-term trends in acid deposition and ozone transport. For example, the CASTNET network supporting the Acid Rain Program has enabled that program to successfully meet the performance expectations of the PMA and PART processes. However, these networks need to be modernized to ensure the continued availability of direct environmental data for program assessment. This will be critical for evaluating market-based emission reduction strategies in programs such as CAIR. EPA is conducting a pilot study for refurbishment of these networks.

FY 2009 Milestones: CAIR Seasonal NO_X Trading Program

- EPA completes development of program operating software and guidance for incorporating new states and sources affected under the CAIR seasonal NO_X control and trading program and for improving public and state access to emissions and allowance data.
- Initial compliance season for the CAIR seasonal NO_X program; EPA support for NBP will be phased out.

FY 2009 Milestones: CAIR Annual NO_x and SO_2 Programs

- EPA completes implementing software and guidance for CAIR. EPA works with states to finalize rulemakings to establish the allowance accounts, operate the trading programs, and certify source emissions monitors.
- Regions assist states with emissions monitoring and reporting and EPA assists states and sources in initial compliance year for CAIR annual NO_X control program.
- Initial compliance year for the CAIR SO_2 program is 2010.

FY 2009 Milestones: Acid Rain Program

- Working with states, tribes, local agencies, Regional Planning Organizations (RPOs), and other partners in CASTNET, develop and begin implementation of an operations plan that will assure supportability over the next 5–10 years and will bring this network in-step with integrated national monitoring strategies involving regionally-representative core sites.
- Report progress in reducing sulfur and nitrogen deposition and in reducing the number of chronically-acidic water bodies in acid-sensitive regions, and SO_2 emissions reduced.

FEDERAL STATIONARY SOURCE REGULATIONS

This program includes activities related to: maximum achievable control technology (MACT), combustion, and Area Source Standard development; the Stationary Source Residual Risk Program; New Source Performance Standards; and, associated national guidance and outreach information. The strategy is to develop generally-available, control technology-based standards for the highest priority area source categories.

Completed in FY 2008

- Proposed and promulgated area source standards and residual risk standards according to court-ordered schedule.
- Promulgated Risk and Technology Review that includes 21 categories, 11 MACT for residual risk.
- Promulgated Risk and Technology Review that includes eight categories, four MACT for residual risk.
- Re-Proposed Response to Remand and 5-year Review for Hospital/Medical/Infectious Waste Incineration Units.
- Promulgated NSPS for Equipment Leaks (Subpart VV SOCMI and GGG Petroleum Refineries).
- Promulgated NSPS for Petroleum Refineries (Subpart J).
- Promulgated area source rules for stationary internal combustion engine, hospital sterilizers, and gas distribution stage I (under court order for December 2007).
- Proposed NSPS Portland Cement (Subpart F).
- Proposed NSPS Nonmetallic Minerals (Subpart OOO).
- Proposed NSPS Coal Prep/Mines (Subpart Y).

- Proposed Reconsideration of Stationary Combustion Turbines (Subpart KKKK).
- Proposed Clarification of Reconsideration of NSPS for Electric Utility, Industrial, Commercial, and Institutional Steam Generating Units.
- Proposed NSPS for Mineral Dryers/Calciners (Subpart UUU).
- Proposed three Additional Amendments to prior NSPS'.
- Proposed NESHAP for Brick and Structural Clay.
- Proposed NESHAP for Plywood and Composite Wood Products.
- Proposed NESHAP: Reconsideration for Portland Cement.
- Proposed NESHAP for Polyvinyl Chloride and Copolymers.
- Proposed NESHAP: Defense Land Systems and Miscellaneous Equipment (Military MACT).
- Proposed seven additional amendments to prior NESHAP/MACT Standards.

FY 2009 Priorities

- Propose and promulgate area source standards and residual risk standards according to court ordered schedules.
- Promulgate Response to Remand and 5-year Review for Hospital/Medical/Infectious Waste Incineration Units.
- Promulgate NSPS Portland Cement (Subpart F).
- Promulgate NSPS Nonmetallic Minerals (Subpart OOO).
- Promulgate NSPS Coal Prep/Mines (Subpart Y).
- Promulgate Reconsideration of Stationary Combustion Turbines (Subpart KKKK).
- Promulgate Clarification of Reconsideration of NSPS for Electric Utility, Industrial, Commercial, and Institutional Steam Generating Units.
- Promulgate NSPS for Mineral Dryers/Calciners (Subpart UUU).
- Promulgate three (3) Additional Amendments to prior NSPS'.
- Promulgate NESHAP for Brick and Structural Clay.
- Promulgate NESHAP for Plywood and Composite Wood Products.
- Promulgate NESHAP: Reconsideration for Portland Cement.
- Promulgate NESHAP for Polyvinyl Chloride and Copolymers.
- Promulgate NESHAP: Defense Land Systems and Miscellaneous Equipment (Military MACT).
- Promulgate seven additional amendments to prior NESHAP/MACT Standards.
- Propose NESHAP for Industrial Boilers (major and area sources).

FEDERAL VEHICLE AND FUELS STANDARDS AND CERTIFICATIONS

This program includes federal activities that support the development, implementation, and evaluation of regulatory, market-based, and voluntary programs to reduce pollutant emissions from mobile sources and fuels. Types of mobile sources addressed include: light-duty vehicles and engines (cars, light-duty trucks, sport utility vehicles); heavy-duty engines (buses, large trucks); nonroad vehicles/engines (construction, farm equipment, locomotives, marine); and fuels (diesel, gasoline). The strategy for reducing emissions from mobile sources includes four elements.

- Clean Vehicles: Develop, implement and ensure compliance with stringent emission standards for cars, light-duty trucks, sport utility vehicles, buses, large trucks, and nonroad vehicles/engines.

- Clean Fuels: Implement cleaner gasoline and diesel fuel regulations and develop reformulated gasoline, diesel fuel, and non-petroleum alternatives.

- Clean Transportation Alternatives: Develop strategies to encourage transportation alternatives that minimize emissions and address continued growth in VMT.

- Clean Technology: Work with industry to certify low emission vehicles that use new engine technologies, such as clean diesel, exhaust gas recirculation for diesel, new catalyst technology, fuel cells, and hybrid-electric vehicles. Continue in-house assessment and development of clean engine and fuel technologies and conduct technology reviews to evaluate progress toward implementation of new vehicle and engine standards.

Completed in FY 2008

In 2008, EPA promulgated several regulatory programs addressing emissions from nonroad vehicles and engines. These include: new standards for diesel locomotives and marine engines (including requirements for low sulfur content in their fuels), and new exhaust and evaporative emission standards for small gasoline engines and equipment (lawn and garden equipment) and gasoline-powered marine engines and vessels. In response to a 2004 court order, EPA revised the long-term emission standards for snowmobiles. In addition, EPA proposed a program to reduce emissions from large commercial ships. In the highway area, EPA promulgated a final rule requiring engine manufacturers to install Onboard Diagnostic (OBD) systems in heavy-duty engines to monitor the function of emission control components in these engines. This requirement will ensure that the significant benefits of EPA's Clean Diesel Program exhaust emission standards will be realized in-use. Other efforts in 2008 included the final Technology Review for the 2007-2010 highway heavy-duty standards (before the final phase-in of the program) and the finalization of a rule establishing particulate matter (PM) compliance margins for the Highway In-Use Program (which is a manufacturer-run program monitoring in-use emissions from highway heavy-duty engines). In response to the President's initiative to address greenhouse gas emissions (GHG), EPA began analyses to evaluate options that would reduce GHG emissions from mobile sources. In response to the Energy Policy Act of 2005, EPA began a multi-year effort to collect the needed emissions and fuels data to address various provisions and requirements of the Act. In addition, EPA promulgated a rule requiring increased use of renewable fuels, as required by the Energy Independence and Security Act of 2007.

The light-duty vehicle program is implementing the Tier2 vehicles standards. The in-use program is successfully finding and remedying in-use emission problems (over one million vehicles recalled annually). The heavy-duty program has implemented 50% more stringent standards early and will start the phase-in of standards which will be 95% more stringent. The heavy-duty in-use screening program is in place and certification and the in-use Federal Test Procedure (FTP) testing program is being developed. Toxics emission performance requirements for conventional gasoline and cleaner-burning reformulated gasoline are being implemented

FY 2009 Priorities

- Promulgate rule reducing emissions from large commercial ships.
- Propose rule establishing OBD requirements for nonroad diesel engines
- Continue to implement manufacturer-run in-use compliance program for highway heavy-duty diesel engines and propose rule for in-use compliance program for nonroad diesel engines.
- Propose new harmonized test cycle for highway motorcycles in accordance with Group of Experts on Pollution and Energy (GRPE) agreement.
- Conduct first Technology Review for nonroad diesel standards (this review has the potential to put in place more stringent NO_X and PM standards for the smaller diesel engines used in farm and construction equipment).
- Continue to implement the 2007-2010 heavy-duty standards, Nonroad Diesel standards, low sulfur fuel requirements, fuel-related provisions in the mobile source air toxics rule, and renewable fuel requirements.
- Propose rule establishing on-board diagnostic (OBD) requirements for nonroad diesel engines.
- Propose adoption of new aircraft standards that would align Federal rules with the International Civil Aviation Organization standards.
- Begin assessing control strategies for gasoline PM.
- Assess the need for stricter of-cycle standards for light-duty vehicles and evaluate if similar action is needed for heavy-duty vehicles.
- Evaluation of in-use fuel economy data; this assessment will ensure that the test methods stay current with changes in vehicle technologies, driving behavior, and other factors.
- Finalize initial on-road component and incorporate nonroad sources into new transportation emission model Motor Vehicle Emission Simulator (MOVES).
- Begin addressing various actions (studies, analyses) required under EPAct (multi-year efforts).
- Regions assist nonattainment areas in preparing SIPs and assist with implementation of federally-required control strategies such as vehicle inspection/maintenance (I/M) and state fuel programs.

FEDERAL SUPPORT FOR AIR QUALITY MANAGEMENT

The federal support program includes Headquarters and Regional Office non-financial support to state, tribal, and local air pollution control agencies for developing, implementing, and evaluating programs to implement the NAAQS and reduce Regional Haze. It also includes regular reviews of, revisions to, and establishing standards for the criteria pollutants; developing associated national guidance and outreach information for implementing these standards; and developing emission limiting regulations for specific categories of stationary sources. The federal support program also includes working with other federal agencies to ensure a coordinated approach, and with international governments to address sources of air pollutants that lie outside our borders but contribute to air quality degradation within the United States. Federal financial support is addressed under "State and Local Air Quality Management" and "Tribal Air Quality Management."

Over the next several years, we will continue to focus on implementing the PM and ozone NAAQS, including the recently revised 24-hour $PM_{2.5}$ and the 8-hour ozone standards. EPA will provide opportunities for greater collaboration with states in addressing these air quality problems and continued emphasis on innovative strategies to improve air quality. Through this process EPA will provide technical assistance to states on emission reduction measures for $PM_{2.5}$ and ozone nonattainment areas. These early reduction measures could enable some nonattainment areas to measure clean air prior to the time EPA issues designations for the revised standards. We will also be focusing on the Pb NAAQS, which is of particular importance to areas with potential EJ concerns.

EPA will continue to ensure that implementation of CAIR is integrated with other NAAQS programs which will rely upon the emissions reductions that CAIR will achieve. $PM_{2.5}$ nonattainment areas will need the reductions from CAIR to aid in achieving attainment. To a lesser extent, ozone attainment will also rely on CAIR reductions. We will also ensure appropriate integration of CAIR reductions into the Regional Haze program for determining Best Available Retrofit Technology (BART) for electric generating units (EGU) and establishing reasonable progress goals.

We will continue to work with states and local air quality and transportation agencies to implement transportation conformity regulations and to ensure the technical integrity of mobile source controls in SIPs. We will also assist states, tribes, and local governments in crafting strategies that accommodate growth and economic development while minimizing adverse effects on air quality and other quality-of-life factors. This may include strategies to integrate air quality management into land use, transportation, energy use, and community development plans.

We will continue to work with states, tribes, and local agencies to implement an integrated ambient monitoring strategy to refocus the existing air monitoring resources toward current data collection needs for ozone, PM, Lead, Regional Haze, and air toxics.

NAAQS – Work completed in FY 2007 or to be completed in FY 2008

In FY 2007 and FY 2008, EPA continued to develop guidance to assist states in developing approvable 8-hour ozone attainment plans. Additional control technique guidelines (CTGs) for stationary sources of VOC were also issued. OAR has also issued several guidance memos advising states on making progress toward submitting ozone attainment demonstrations. We have also advised states of consequences of the DC Circuit Court of Appeals partial vacature on the Phase 1 8-hour ozone NAAQS implementation rule, and have begun new rulemaking to address the elements vacated by the Court. OAR is also coordinating national reviews of ozone and $PM_{2.5}$ SIPs with the Regions. We are also developing new implementation guidance to accompany potential revisions to the ozone standards resulting from the final 2008 NAAQS review. In FY 2007, we finalized the Exceptional Events Rule. The final rule can be found at http://epa.gov/ttncaaa1/t1/fr_notices/exeventfr.pdf. In 2008 we expect to complete our review of the Pb NAAQS and implement the decision on whether to revise the standard.

As a result of the December 2006 revision to the PM NAAQS, EPA developed and issued guidance to assist states in designating areas not attaining the revised 24-hour $PM_{2.5}$ standard. EPA also finalized the implementation rule for the 1997 $PM_{2.5}$ NAAQS.

Based upon a review of the 2006 air quality data, EPA identified areas with newly discovered violations of the 1997 $PM_{2.5}$ NAAQS, newly discovered violations the PM_{10} NAAQS, and newly discovered violations of the CO NAAQS. EPA provided air quality data reports to the states and they are currently addressing the causes of the violations.

Of the original 126 8-hour ozone nonattainment areas, 53 areas have been redesignated to attainment. We completed final action declaring attainment for 13 Early Action Compact areas. These areas, by implementing early emission reduction plans, attained the 8-hour ozone NAAQS two or more years earlier than required. Of the original 39 $PM_{2.5}$ areas designated nonattainment, none have been redesignated to attainment.

The recent assessment of the NAAQS program by OMB using PART rated the program as "adequate." The PART process established long-term and annual performance goals and measures with which to assess program performance. These are listed below along with their current status:

	Baseline Date	Target Date	Target	Actual
Long-Term Performance Measures				
NAAQS				
Percent reduction in population-weighted ambient concentrations of ozone in all monitored counties.	2003	2015	14%	
Percent reduction in population-weighted ambient concentration of $PM_{2.5}$ in all monitored counties.	2003	2015	6%	
Regional Haze				
Percent improvement toward natural background conditions on 20% worst days, on average for all eastern Class I areas.	2000-2004	2015	15%	
Percent improvement toward natural background conditions on 20% worst days, on average for all western Class I areas.	2000-2004	2015	5%	
Annual Performance Measures				
NAAQS				
Percent reduction in population-weighted ambient concentrations of ozone in all monitored counties.	2003	2005	3%	6%
		2006	5%	7%
		2007	6%	Data available mid 08
		2008	8%	
Percent reduction in population-weighted ambient concentration of $PM_{2.5}$ in all monitored counties.	2003	2005	2%	5%
		2006	2%	7%
		2007	3%	Data available mid 08
		2008	4%	
Regional Haze				
Percent improvement toward natural background conditions on 20% worst days, on average for all eastern Class I areas.	2000-2004	2006	7%	Data available early 08
		2007	8%	
		2008	9%	

NAAQS – Priorities for FY 2009

Headquarters

- Provide to Regional offices annual air quality reports by August 1, 2009.
- Work with Regions to encourage and support innovative and voluntary projects to protect the public from the harmful effects of air pollution.
- Provide guidance to Regions and states on designations for potential new ozone NAAQS.
- Continue to coordinate and provide technical and policy guidance to the Regions on the ozone and $PM_{2.5}$ implementation programs for the 1997 NAAQS.
- Provide assistance and consultation throughout the final designation process for the 2006 $PM_{2.5}$ NAAQS.
- Finalize designations for the 2006 $PM_{2.5}$ NAAQS, revisions to the Air Quality Index (AQI) for $PM_{2.5}$ NAAQS, and establish significant harm levels for $PM_{2.5}$.
- Work with federal and state partners to address fire emissions impact on attainment of the NAAQS and the Regional Haze progress goals.

- Assist Regions in implementing the final regulations for new and modified sources in Indian country.
- Conduct technical systems audits, review quarterly data, and monitor progress of CAFO monitoring study.
- Review monitoring data and begin development of CAFO emission estimation methodologies.
- Coordinate best management practice (BMP) studies with USDA for CAFO minimizing emissions.
- Continue outreach and education of public and animal industry on CAFO air emission issues.
- Explore/evaluate potential tools to develop the CAFO process-based model for emission estimates.
- Provide technical direction to industry/academic groups conducting their own CAFO studies so their quality assurance and monitoring protocols will be consistent with the NAEMS.
- Develop baselines for measuring air quality in areas with potential environmental justice concerns.
- Improve analytical tools to assess EJ impacts of rulemakings.
- Provide technical and policy guidance to Regional Offices on the Pb NAAQS.

Regions

- Review air quality reports and work with states to develop appropriate actions to bring new violating attainment areas into compliance with the NAAQS.
- Take final rulemaking action within 18 months of receipt of any redesignation request.
- Work with states to encourage and support innovative and voluntary emission reduction projects (e.g., wood stove changeout programs).
- Track allowable and actual processing times for SIPs processed during the fiscal year and submit midyear and end-of-year reports to the National SIP Processing work group.
- Manage the processing of SIP revisions to ensure final rulemaking actions on all ozone and $PM_{2.5}$ SIPs are completed consistent with the annual SIP processing goal.
- Process voluntary and mandatory reclassifications for 8-hour ozone areas.
- Take final rulemaking action within 18 months of receipt of 8-hr ozone and $PM_{2.5}$ redesignation requests.
- Coordinate with S/L/T's on designating new nonattainment areas following a potential revision of the ozone NAAQS.
- Take final rulemaking action on SIP submittals that were due in 2007 (e.g., RFP, attainment demonstrations).
- Take final rulemaking action within 18 months of receipt of 1997 $PM_{2.5}$ NAAQS redesignation requests.
- Coordinate with states and tribes concerning recommendations and comments for 2006 $PM_{2.5}$ NAAQS designations due final by December 18, 2008. After designations are final, begin working with the states to develop plans to attain the 2006 $PM_{2.5}$ NAAQS.
- Support state monitoring, based on Agency's decision on the Pb NAAQS.

Regional Haze – Priorities for FY 2009

- Continue to coordinate with Federal Land Managers and Regional Planning Organizations on regional haze issues.
- Continue to coordinate with Regions and provide technical and policy assistance on regional haze SIPs.
- Regions will manage the processing of SIP revisions to ensure final rulemaking actions on all Regional Haze SIPs are completed consistent with the annual SIP processing goal

Ambient Monitoring – Work completed in FY 2007 or to be completed in FY 2008

In FY 2007 and 2008, EPA updated the part of the National Ambient Air Monitoring strategy focused on urban monitoring issues in collaboration with other offices within OAR. This strategy will allow states to significantly reconfigure ambient monitoring networks to better address current air quality priorities. Supporting guidance for the development of network assessments was also completed and posted on AMTIC. EPA updated the existing monitoring regulations (40 CFR 53 and 58) early in FY 2007 to encourage the development of continuous $PM_{2.5}$ and $PM_{10-2.5}$ instruments, allow state/local agencies more flexibility in the number of monitoring sites, require 5-year network assessments, and establish NCore and limited $PM_{10-2.5}$ monitoring requirements. A corrections rule to simplify and clarify parts of the earlier rulemaking was also finalized in FY 2007.

EPA worked diligently with the Regions and state, local, and tribal partners during FY 2007 and 2008 to assist with the implementation of the monitoring amendments. These efforts included support for changes in monitoring network design and/or $PM_{2.5}$ sampling frequency, outreach on the implications of new ARM and FEM regulations regarding continuous $PM_{2.5}$ monitors, changes in quality assurance requirements, and updates to procedures regarding AQS data reporting and data certification. EPA supported a number of initiatives in preparation for the deployment of the multi-pollutant NCore stations (due by January 2011), including providing hands-on training opportunities, coordinating national technology conference calls, operating an on-campus monitoring station to evaluate precursor gas methods, and developing model standard operating procedures and a QAPP document for potential use by NCore station operators. A reassessment of the PAMS network was also started to review the current status of stations and technology to ensure that network objectives are being achieved, taking advantage of flexibility derived from changes in the monitoring requirements and the opportunity to leverage PAMS station to meet other needs such as air toxics.

EPA also continued to provide equipment, installation, and training support for changeover to IMPROVE-style carbon samplers at 54 of the $PM_{2.5}$ speciation trends and supplemental sites, following an earlier recommendation from a subcommittee of the Clean Air Science Advisory Committee. Phases 1 and 2 of the program were completed during 2007 and 2008 and the planning for Phase 3 was completed.

EPA revised a number of national quality assurance documents including Quality Assurance Project Plans for the NPAP and PEP programs, and a complete re-write of Volume IV of the National QA Handbook dealing with meteorological measurements.

The HQ monitoring group supported the new NAAQS review process by working closely with other Divisions within OAQPS to evaluate and propose (if applicable) changes to ambient monitoring regulations needed to implement potential revisions to primary or secondary air quality standards. EPA was required by court order to finalize reviews of the NAAQS for ozone and Lead (Pb) in FY 2008.

Ambient Monitoring – Priorities for FY 2009 (NAAQS)

Headquarters

- Manage the national contracts for filter purchases.
- Monitor timeliness and completeness on the national scale for EPA-supported monitoring and flag still-unresolved issues for Regional Office resolution.
- Monitor for backlog of unresolved critical review records and flag for Regional Office resolution.
- Review data certification documentation and set certification flags on AQS data where certification/QA requirements have been met.
- Complete Management System Reviews of at least 1/3 of Regional monitoring programs.
- Publish/Prepare National report on precision and bias performance by 9/30/2009.
- Coordinate with Regional Offices to ensure the independent QA of NAAQS monitoring sites.
- Publish/prepare National report on 2008 and 2009 PEP and NPAP findings within 2 months of each audit and overall by July 1, 2009.
- Work with Regions to insure state, local, and tribal completion of NCore Annual Network Monitoring Plans by July 1, 2009 for subsequent HQ review and approval/disapproval.
- Manage the national contract for laboratory analysis of filters for speciation including providing data to review by states and submitting data to AQS. Certify data on AQS by July 31, 2009.
- Provide equipment and installation/training support for changeover to IMPROVE-style carbon samplers at any remaining $PM_{2.5}$ speciation trends and supplemental sites, via national contractor/vendor.
- Award/manage interagency agreement with National Park Service for operation of IMPROVE monitors for regional visibility. Allow states/tribes to use this mechanism for IMPROVE-protocol sampling at other locations.
- Review and approve/ disapprove requests for Federal Equivalent Methods (FEM) for continuous $PM_{2.5}$ methods within 120 days of completed application, and similarly act on each first request for each Approved Regional Method (ARM).
- Encourage, review and approve/disapprove requests for Federal Equivalent Methods for $PM_{10\text{-}2.5}$ within 120 days of completed application.
- Develop ambient monitoring portion of the FY2010 national program and grant guidance consistent with the national strategy, in collaboration with state, local, and tribal leadership and Regional Offices, by April 2009.
- Provide training support for NCore-needed precursor gas monitoring through workshops held at HQ in RTP and/or national conferences.
- Propose and finalize (as appropriate) monitoring rule changes needed to support potential revisions to the NAAQS according to the 5-year review timeline.
- Commence planning of next ambient monitoring conference in partnership with NACAA. Conference expected to be held late in FY 2009 or early in FY 2010.

Regions

- Identify and resolve completeness and timeliness issues with regard to quarterly data submission by monitoring agencies.
- Evaluate submitters' annual data certification requests and documentation and forward to HQ when adequate.
- Review the evidence that state/local monitoring programs meet 40 CFR Part 58 appendices A, C, D, and E as applicable (evidence is a required element in annual monitoring plans due July 1) and seek corrective action by monitoring agencies where needed. Ensure that NCore annual monitoring network plans are received by July 1, 2009 (either separately or as part of the overall plan) and transmitted to HQ for approval/disapproval.
- Review requests for changes in state monitoring plans and act on them within 120 days.
- Manage contracts for independent performance audits of state/local monitor networks (PEP and NPAP), for those states choosing that approach to independent audits (some Regions only).
- Perform Technical Systems Audits on 1/3 of reporting organizations, or as required to achieve an audit of each agency within a 3-year period.
- Transfer STAG funds to OAQPS for any additional state/tribal IMPROVE-protocol sites requested by state, local, or tribal agencies by May 2009 for monitoring to begin/continue in July 2009.

Title V and NSR – Work completed in FY 2007 or to be completed in FY 2008

HQ completed action on Title V operating permit petitions received in FY 2007. HQ also completed actions on 100% of petitions with court-ordered deadlines. To support the NSR program, a number of rules were finalized or will be finalized by the end of FY 2008, including the: Debottlenecking/Aggregation/Project Netting Rule; NSR EGU Rule; Fugitive Emissions Rule; the $PM_{2.5}$ Increment Modeling Rule, Potential to Emit (PTE); $PM_{2.5}$ NSR; and, action to clarify the "reasonable possibility" recordkeeping standard in the NSR Reform rule. We will also be assessing the ability of the permitting infrastructure to address potential permitting for greenhouse gases (GHG).

Along with the NAAQS program, EPA's air permitting programs (the Title V Operating Permit Program and the New Source Review program) and Air Quality grants program (See State and Local Air Quality Management chapter) were also assessed via the PART. The Air Quality Grant and Permitting programs were rated as Ineffective—primarily due to the lack of suitable performance goals and measures. The PART program assessments of the long-term and annual performance goals and measures are listed below.

Title V Operating Permits Program	Target Date	Target	Actual
The percentage of new Title V operating permits issued within 18 months of receiving a complete permit application.	2005	79%	79%
	2006	83%	83%
	2007	87%	Available
	2008	91%	March 08
The percentage of significant Title V operating permit revisions issued within 18 months of receiving a complete permit application.	2005	88%	88%
	2006	91%	91%
	2007	94%	Available
	2008	97%	March 08
New Source Review Program			
The percent of major NSR permits issued within one year of receiving a complete permit application.	2005	65%	69%
	2006	70%	70%
	2007	75%	Available
	2008	78%	March 08

Title V and NSR – Priorities for FY 2009

Headquarters

- Continue to address Title V task force recommendations.
- Support Regions issuing permits and evaluating Title V and NSR permit programs.
- Support and maintain Title V permit activity database (TOPS).
- Support tribal efforts in developing Title V and NSR permitting programs and delegation requests.
- Continue to assist Regions on NSR regulatory revisions and proposed regulations.
- Continue to assist Regions in implementing the final regulations for permitting new and modified sources in Indian country.
- Continue to modify existing NSR permit regulations, as necessary, to be consistent with the Agency's "Clean Air" initiatives, and the ozone and particulate matter NAAQS.
- Prepare and issue final orders on citizen petitions based on drafts from Regions.
- Provide training and technical guidance to the Regions on final new regulations, as necessary.

Regions

- Review proposed initial, significant modifications and renewal operating permits, as necessary, to ensure consistent implementation of the Title V program.
- Report active Title V permits via TOPS and update all applicable TOPS data.
- For purposes of updating TOPs, report outstanding renewals of Title V permits [permits older than 5 years that have not been renewed].
- Issue Title V permits to respond to objections where the permitting authority refuses to act.
- Continue working on completing, per agreed upon schedules, any remaining first-round Title V program evaluations pursuant to March 2002 OIG report.
- Prepare draft orders to citizen (public) petitions based upon OAQPS' petition handling process.

- Perform 1/4 of follow-up Title V program evaluations for programs with at least 20 permits pursuant to February 2005 OIG report and set target to issue evaluation report within 120 days of evaluation.
- Regions issue PSD and Part 71 permits in Indian country.
- Continue to assist permitting authorities on NSR regulatory revisions and proposed regulations.
- Evaluate NSR permit programs, as warranted and set target to issue reports within 120 days of evaluation.
- Provide training and technical guidance and support to permitting authorities and the public, as necessary.
- Take action on all NSR SIP/TIPs submitted in FY 2007 and FY 2008.
- Continue issuance of Title V permits on tribal and other federal lands, as necessary.
- Regions review major NSR /PSD permits for new and modified sources, as necessary, to ensure consistent implementation of the NSR program. (ACS)
- Regions provide End of Year Regional Progress Report for status of EPA review of NSR permits.

Mobil Sources - Work completed in FY 2007 or to be completed in FY 2008

- Finalized revisions to make the transportation conformity rule consistent with the CAA amendments contained in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).
- Finalized EPA guidance on CMAQ and cost-effectiveness.
- Developed new SmartWay SIP and conformity guidance.
- Issues Grant award to Weber State for OBD Information Exchange.
- Finalized Cost Effectiveness of Diesel Retrofits.
- Finalized Illinois' request to opt-in East St. Louis into the RFG program.
- Promulgate Direct Final/NPRM issues to respond to request to relax RVP in Grant Parish, Louisiana.
- Promulgate rule to respond to court decision on lawsuit for March 2006 final hot-spot rule.
- Continue follow-up efforts in response to IG I/M audit findings as part of the on-going Corrective Action Plan.
- Finalize "Transitioning I/M" FACA report.
- Implement $PM_{2.5}$ Hotspot requirement in transportation conformity.
- Begin drafting PM quantitative hotspot modeling conformity.
- Begin reviews of SIP submittals – coordination with Regional Offices.
- Process Emergency Fuel Waivers.

Mobile Sources – Priorities for FY 2009

Headquarters

- Work with Regions to assist states in developing, implementing, and transitioning I/M, OBD, and fuel programs.
- As necessary, assist Regions in processing conformity determinations made by metropolitan planning organizations or state agencies.

- As necessary, assist Regions in making adequacy determinations for identified mobile source budgets in control strategy SIPs and maintenance plans submitted by states.

Regions

- Assist states in developing, implementing, and transitioning mobile source control strategies such as I/M, OBD, and state fuel programs.
- Assist state and local agencies in evaluating and promoting public comprehension of the need to maintain vehicles when OBD light is illuminated.
- Assist states and local air quality and transportation agencies in future conformity determinations as needed.
- Review and comment on transportation conformity determinations made by metropolitan planning organizations or state agencies.
- Complete processing of transportation conformity SIPs submitted by states in FY 2008 as necessary.
- Make adequacy/inadequacy determinations, as necessary, for identified mobile source budgets included in control strategy SIPs and maintenance plans submitted by states and/or approve/disapprove such budgets at the time of SIP processing.
- Work with OTAQ to provide training in the use of the Motor Vehicle Emission Simulator (MOVES) model, and review modeling results for state and local agencies.
- Work with states to develop creditable mobile source programs.

Performance Track

The Office of Air and Radiation continues to support Performance Track (http://www.epa.gov/performancetrack), an Agency-wide program that encourages continuous environmental improvement through the use of environmental management systems, local community involvement, and measurable environmental results. OAR has worked with Performance Track to develop Air incentives (http://www.epa.gov/performancetrack/benefits/regadmin/air.htm) for member facilities. Regional air programs are encouraged to promote adoption of these incentives by the states and assist in their implementation. Through further collaboration with Performance Track, OAR is offering an energy use reduction challenge for non-transportation energy use to first-time or renewing Performance Track applicants. In order to receive credit for the challenge commitment, the facility must commit to reducing its energy use by at least 10 percent before normalizing.

FEDERAL SUPPORT FOR AIR TOXICS PROGRAMS

The federal support program includes Headquarters and Regional Office non-financial support to state, tribal, and local air pollution control agencies for: modeling, inventories, monitoring, assessments, strategy and program development; community-based toxics programs; voluntary programs including those that reduce inhalation risk and those that reduce deposition to water bodies and ecosystems; voluntary efforts to address emissions from the 11 million existing diesel engines that are not subject to the new, more stringent emission standards that took effect in 2007 and later; international cooperation to reduce transboundary and intercontinental air toxic pollution; National Emissions Inventory (NEI) development and updates; and Persistent Bioaccumulative Toxics (PBT) activities. It also includes training for air

pollution professionals. In addition, it includes activities for implementation of MACT, Residual Risk, and Area Source standards and the National Air Toxics Assessment (NATA). Our strategy has five components:

- Work with partners to improve the technical specifications and procedures for the National Air Toxics Trends Stations (NATTS) ambient monitoring network, to support short-duration local-scale (also known as community-scale) monitoring studies, and to develop improved emission factors. (Federal funding support for the NATTS network and local-scale monitoring studies is addressed under State and Local Air Quality Management, below.)

- Implement a residual risk program and support community assessment and risk reduction projects, and compile and analyze the information collected from them to better characterize risk and assess priorities for further action.

- Provide technical expertise and support to state, local, and tribal air toxics programs in assessing and reducing major stationary source, area source, and mobile source air toxics.

- Continue to develop and improve risk assessments and management methodologies.

- Innovative approaches in addition to regulatory efforts that will achieve emission reductions. These approaches include, but are not limited to, woodstove changeout programs that reduce indoor and ambient exposure to air toxics, emission reductions from the existing diesel fleet not subject to new emission standards, and a collision repair campaign to reduce air toxics emissions from the auto body repair industry.

EPA activities that assist in the toxics reduction strategy include the NEI, NATA, air quality modeling, the National Clean Diesel Campaign (NCDC), and data analysis programs. In addition, the Air Toxics Monitoring Program indirectly and in some cases directly supports all the technical tools as well as the programs noted above.

Air Toxics Implementation – Work completed in FY 2007 or to be completed in FY 2008

In FY 2008, EPA was near completion of the initial draft of the 2002 NATA that focused on risks from major source categories which are scheduled for review under the Residual Risk program. We also began collecting and estimating 2005 emission inventory data for hazardous air pollutants (HAPs) with a first draft of the inventory expected to be released in 2008.

EPA is also focused on expanded community air toxics program efforts (i.e., Urban Air Toxics Strategy (UATS) and Community Action for a Renewed Environment (CARE)). Through these efforts, EPA is providing assistance to states, local agencies, and tribes to develop and implement voluntary air toxics programs addressing outdoor, indoor, and mobile sources. These programs affect many communities that are experiencing disproportional environmental impacts. Of particular interest in FY 2008 is the Sustainable Skylines Initiative (SSI). This is an effort that will provide a framework that, when implemented in an area, can achieve measurable emissions reductions within 3 years. It is designed to be replicable to other areas, but with the flexibility to meet the needs and priorities of the individual areas. SSI is currently being piloted in a few cities with a goal of 10 cities in the program by the end of 2010.

Focus continues to be on EPA's efforts to address Outdoor Wood-fired Hydronic Heaters (OWHH, aka outdoor wood boilers). Numerous states and NESCAUM identified OWHH as a critical and growing local air pollution issue. States and local authorities were receiving many complaints from citizens who were concerned of the potential health impacts. To support this need, EPA developed and began implementing a strategy that includes both voluntary and regulatory aspects.

In addition, EPA launched a significant outreach and education effort to make the public aware of the new, cleaner and more efficient OWHH and best practices for existing OWHH. For more info, see www.epa.gov/woodheaters.

In FY 2008, EPA continued its support of the Great American Woodstove Changeout program by assisting states, local agencies, and tribes in creating incentives for homeowners to voluntarily replace old, inefficient burning woodstoves with new, clean-burning gas, pellet, and EPA-certified woodstoves.

Pending court decision in FY 2008, EPA may finalize a Federal Implementation Plan (FIP) for states that did not submit an approvable emission reduction plan under the Clean Air Mercury Rule (CAMR). EPA also continued preparing for implementation of the CAMR trading program, including progress in developing the reporting/compliance data system and technical guidance on source emissions monitoring. (Caveat: A legal challenge to the CAMR, could force EPA to redo the rule as a MACT standard negating the need for the FIP.)

EPA also continued to support the National Clean Diesel Campaign and assist states, local agencies, and tribes in developing voluntary mobile source air toxics programs and implementing voluntary emission control retrofit programs for existing heavy-duty diesel engines, school buses, construction equipment, and ports.

Air Toxics Implementation – Priorities for FY 2009

Headquarters

- Continue development and testing of new NEI process and Emission Inventory System (EIS) in preparation for 2008 NEI.
- Collaborate with Regions and S/L/Ts on the development of the new NEI process and the EIS.
- Work with Regions to determine the focus for community air toxics programs in support of the UATS and CARE.
- Continue development of tools and guidance for communities.
- Work with the Regions to assist all S/L/Ts to develop and implement voluntary air toxics programs that address outdoor, indoor, and mobile sources with an emphasis on areas with potential environmental justice concerns.
- Work with Regions to encourage and support innovative and voluntary projects to assess and address sources of air toxics with an emphasis on areas with potential environmental justice concerns.
- Develop baselines for measuring air quality in areas with potential environmental justice concerns.

- Undertake biannual assessments of the environmental benefits being achieved in environmental justice areas as a result of diesel emission reduction programs.
- Continue to oversee and approve qualification of Phase 2 for OWHH.
- Continue to implement the Sustainable Skylines Initiative by working with existing cities as well as adding additional cities to the initiative.

Regions

- Review new NEI process and EIS components and assist S/L/Ts with similar reviews.
- Provide feedback to Headquarters on new NEI process and EIS components.
- As appropriate, work with HQ in developing flexible and risk-based programs.
- Assist S/L/Ts where appropriate in conducting data analysis and assessment for air quality management implications in general. (Applicable to states conducting air toxics monitoring regardless of funding source.)
- Work with S/L/Ts to develop and implement area source programs.
- Delegate and provide implementation assistance to S/L/Ts for section 111, 112, and 129 standards, as needed.
- Implement section 111, 112 and 129 standards in areas where states do not.
- As appropriate, assist HQ in development of area source standards.
- Assist HQ in determining the focus for community air toxics programs in support of the UATS and CARE, where appropriate.
- As appropriate, participate in residual risk analyses for MACT and/or GACT standard source categories, and standard setting process.
- Work with S/L/Ts on establishing infrastructure to implement a risk based air toxics program with an emphasis on areas with potential environmental justice concerns.
- Work with communities (e.g., CARE communities/projects) to assess and address sources of air toxics, including the use of voluntary air toxic reduction programs in their communities, particularly those areas with environmental justice concerns.
- Provide training to with S/L/Ts on air toxics program requirements.
- Work with S/L/Ts to implement their risk-based air toxics program. Specifically, assist S/L/Ts to: 1) implement a residual risk program, and 2) assess and address the combined impact of multiple sources of air toxics, encouraging voluntary reductions of air toxics from indoor and outdoor sources, as appropriate.
- Oversee the state effort to adapt state rules for OWHH.
- Work with HQ to implement the Sustainable Skylines Initiative by providing support to cities under the initiative.

Air Toxics Monitoring – Work completed in FY 2007 or to be completed in FY 2008

EPA has worked closely with state, local, and one regional partner as outlined in OAR's FY 2007 NPM Guidance to expand the National Air Toxics Trend Stations (NATTS) program by adding two sites in FY2007 and three sites in FY2008 for a total of 28 NATTS sites. Additionally, EPA conducted Proficiency Testing and Technical Systems Audits for national contract labs and state/local labs servicing NATTS and provided a mechanism for optional participation of state/local laboratories in Proficiency Testing (at cost). In FY 2007, EPA issued guidance on the flagging of air toxics monitoring data to convey quality assurance metadata to users. At the October 2007 National Air Toxics Data Analysis Workshop, EPA provided a national/regional-scale air toxics monitoring data analysis report with conclusions relevant to air

quality management and future monitoring initiatives. Work also continued with EPA's air toxics monitoring partners on the appropriateness of new methods for acrolein and hexavalent chrome, first introduced to the NATTS program in 2006.

In FY 2007, EPA also continued to work with the National Atmospheric Deposition Program (NADP) participants and others to develop a framework, technical procedures, and initial sites for a proposed new national monitoring program for speciated mercury, which will support calculation of mercury dry deposition.

Air Toxic Monitoring – FY 2009 Priorities

Headquarters

- Transfer 103 funds for NATTS grants to affected Regional Offices.
- Manage national contract for NATTS lab analysis.
- Conduct Proficiency Testing and Technical System Audits for national contract lab and state/local labs servicing NATTS, and report results within 60 days of audit after opportunity for state/local lab review of draft audit report.
- Provide national/regional-scale analysis of currently available air toxics data by September 2009, with conclusions relevant to air quality management and to establishing future goals for the NATTS program and other monitoring initiatives.
- Hold National Air Toxics Data Analysis Workshop by September 2009.
- Monitor NATTS data submissions for completeness and timeliness.
- By April 1, 2009 complete the competition for community scale air toxics monitoring projects and transfer 103 funds for projects to affected Regional Offices.
- Provide guidance to Regions for negotiation of individual grants to ensure that data meets risk screening, risk characterization, and/or risk assessment requirements where appropriate given study objectives that were material in selecting the project for funding.
- Provide mechanism for optional participation in Proficiency Testing and Technical System Audits by labs which are not direct NATTS participants. (Cost would be borne by the state/local lab.)
- Provide tools and guidance for analyzing local air toxics data for air quality management implications.
- Review Technical Assistance Document and update if appropriate.

Regions

- Ensure NATTS work plans are consistent with program office template guidance.
- Ensure NATTS QAPP is adequate to provide quality data for submission to AQS.
- Participate in at least 50% of NATTS TSA lab and field site audits.
- Track status and coordinate needed follow-up actions between the program office and S/L/T's in support of the NATTS QA program (e.g., TSA and PT activities).
- Identify and resolve completeness and timeliness issues with regard to quarterly data submission by monitoring agencies.
- Award FY2009-funded community scale air toxics monitoring grants.
- Assist S/L/T in siting, installing, and operating new and upgraded toxic monitoring equipment for community scale grant projects.
- Review QA programs and ensure compatibility of community scale air toxics measurements across projects and with NATTS, where appropriate.

- Ensure community scale QAPP is adequate to provide quality data for submission to AQS and/or ensure that the project results meet the requirements of the approved QAPP.
- Assess and review existing air toxics networks, and assist S/L/T in siting, installing, and operating new and upgraded toxic monitoring equipment.
- Ensure QAPP is adequate to provide quality data for submission to AQS.

STATE AND LOCAL AIR QUALITY MANAGEMENT

The state and local air quality management program includes funding to assist state and local air pollution control agencies in developing and implementing programs to attain and maintain the national ambient air quality standards (NAAQS) and to assess, prevent and control air pollution such as hazardous air pollutants. The program also provides funding to interstate transport commissions, and other multi-jurisdictional organizations (composed of state and local representation) to help coordinate air quality improvement efforts. Funding is also provided on a competitive basis to reduce diesel emissions from the existing diesel fleet and from school buses through the National Clean Diesel Campaign through a separate appropriation under the Energy Policy Act of 2005. State, local, and tribal agencies also maintain Title V operating permit programs for major stationary and other sources, but Title V activities are funded through permit fees and are not grant-eligible. Conversely, Title V permit fees should not be used to fund grant-eligible activities.

State, local, and tribal grant assistance is appropriated by Congress under the Agency's State and Tribal Assistance Grants (STAG) appropriation. State and local air programs are funded under §105 of the Clean Air Act (CAA) with recipient agencies providing matching resources at no less than 40% of the total approved §105 program costs. Section 103 of the Act provides 100% federal funding to state, multi-jurisdictional, and local entities, including universities and other non-profits, to conduct studies, investigations, experiments, demonstrations, surveys, training, and certain forms of research, on the nature, prevention, causes and effects of air pollution. Eligibility for some grants awarded under §103 authority may be limited to certain types of applicants pursuant to specific conditions outlined in EPA's enacted budget and/or as directed by Congressional appropriation. Interstate air pollution control agencies, including interstate transport commissions, receive funds under §106 which also requires a recipient match. Additional information on the use of STAG resources is contained in Appendix A.

Strategy

EPA's strategy for achieving clean outdoor air includes a comprehensive, multi-pollutant approach that combines national, regional, and local measures with responsibilities for implementation carried out by the most appropriate and effective level of government. Problems with broad national or global impact are best handled at the federal level. State, local, and tribal agencies can best address regional and local problems that remain after federal measures are applied. In implementing the state and local air quality management component of this strategy EPA will:

- Work with state, local, and other governmental partners to target available STAG resources to those air pollution problems which pose the greatest risk to public health (e.g., fine particles, ozone, and hazardous air pollutants);

- Allocate resources to address not only the attainment of PM2.5 and 8-hour ozone NAAQS, but also support ongoing state and local air program operations and delegated programs which help maintain healthy air quality;
- Encourage support for regional and community-scale strategies that complement the impacts of federal measures (e.g., action day programs, air quality reporting, early ozone reductions, wood smoke reduction programs, diesel retrofits and other mobile source initiatives, integrated air toxics risk assessment and reduction projects);
- Provide support to assist States, tribes, and local agencies to develop air quality forecasting programs, especially the addition of forecasting particle pollution.
- Encourage the use of Enviroflash to communicate air quality alerts to the public;
- Target significant resources to recipients to develop, refine, and maintain monitoring systems and emission inventories which help provide a clear picture of the nature and sources of air pollution and help gauge the impacts of preventive and mitigative measures employed;
- Support the efforts of states and multi-jurisdictional organizations to develop information and strategies for use by states and tribes in reducing haze and improving visibility across the country, including formerly pristine areas;
- Provide resources that focus on transboundary or binational, geographically-specific environmental issues involving a multi-pollutant, multi-state, and sometimes a multi-media approach;
- Provide support for training and other associated program support to assist state, local, multi-state, and other agencies in addressing their air pollution problems;
- Provide training and technical support to assist states, tribes, and local agencies in developing and conducting wood boiler and wood stove changeout programs to reduce particle pollution; and,
- Provide resources to eligible entities to support diesel engine retrofits, rebuilds and replacements, and idling reduction technologies that target reductions from the existing diesel fleet.

Inherent in these efforts is EPA's policy to ensure that collaborative and timely consultation occurs with its partners in the areas of planning, priority-setting, and budgeting. It is the policy of OAR and the Regions to seek prior consultation with its partners on the allocation and use of grant resources. EPA will continue to work with the Environmental Council of States (ECOS), the National Tribal Air Association (NTAA), and the National Association of Clean Air Agencies (NACAA) to identify and resolve issues associated with the purposes, distribution and use of grant resources.

EPA continues to place high priority on effective grants management including proper use of authorities for award, effective use of competition where appropriate, articulation and reporting of programmatic and environmental results, and effective oversight of agreements including compliance with programmatic terms and conditions. More information on specific grant priorities and critical grant management topics is contained in Appendix A.

Status

Over $4.8 billion in air grant assistance has been provided to state, local, and multi-state agencies since enactment of the 1963 CAA. This has been complemented with over $7.7 billion

in matching resources from state and local governments over the same period. Federal assistance is provided by Congress via the State and Tribal Assistance Grants (STAG) Appropriation.

For FY 2008, Congress did not complete action on EPA's budget until December 2007. In the FY 2008 Omnibus appropriation, Congress extended the Agency's use of §103 authority for $PM_{2.5}$ monitoring. EPA's FY 2008 operating plan for distribution of STAG funds for state/local air quality management attempts to minimize negative impacts on state/local program operations.

In 2008, EPA and NACAA continued their joint effort to review and update the framework used to allocate STAG funds among air pollution priorities and among Regions and states. This included the identification of a process, guiding principles and relevant data. Additional steps will include the development of factors and algorithms; the assessment of allocation options; the selection of an allocation scheme; and the development of a practical implementation approach beyond FY 2009. EPA will continue to work with NACAA throughout FY 2009 on the completion and orderly implementation of a revised STAG allocation framework.

For FY 2009, the President's budget request includes over $XXX million in STAG funds to support state, local, and tribal air and radiation program activities. This includes $XXX million for continuing air programs (including monitoring for particles and air toxics, $XX million for tribal air programs, $XX million for indoor radon programs and $49.2 million for the National Clean Diesel Campaign. The elimination in funding for regional haze planning support reflects the near completion of the work of the Regional Haze Planning Organizations (RPOs) in support of the development of the states' initial regional haze plans, and EPA's belief that the future role of and funding for the RPOs should mostly be a matter of state discretion rather than an EPA determination.

For FY 2009, a major portion of continuing program funds will continue to be devoted to implementing efforts to attain the NAAQS for 8-hour ozone and $PM_{2.5}$. This includes emission inventory, modeling, and early reduction efforts as well as innovative voluntary, mobile source, and market based approaches such as the NO_X/CAIR Budget Program. Additional priorities include implementation of: air toxics reduction programs through technology-based and delegated residual risk standards, voluntary vehicle emission control retrofit programs for heavy duty vehicles and school buses, and regional haze reduction programs. EPA and its partners will also continue to devote significant grant resources to the various ambient air monitoring networks including fine particulates and air toxics.

EPA will continue to work with NACAA and the other multi-jurisdictional organizations (MJOs) to effectively implement the FY 2009 program given the changes in the FY 2009 air grant assistance amounts.

Status and Accomplishments

States have achieved widespread attainment of standards for several of the criteria pollutants: CO, SO_2, NO_2 and Lead. Specifically:

Carbon Monoxide (CO)

- Designated 78 areas, affecting 69.8 million people, as nonattainment for CO in 1992.

- Three nonattainment areas remain with a total population of 719 thousand people. All three areas have monitoring data measuring attainment of the CO NAAQS.
- There is one area newly violating the CO NAAQS – Jefferson County, Alabama. There are ongoing enforcement and compliance actions for the point source causing the violation.

Sulfur Dioxide (SO_2)

- Designated 54 areas, with a total population of 9.8 million people, as nonattainment for SO_2 in 1992.
- Ten nonattainment areas remain with a total population of 1.1 million people. All 10 areas have monitoring data measuring attainment of the SO_2 NAAQS.
- There are two newly violating areas, Northampton County, PA and Volcanoes National Park in Hawaii. The Hawaii violations are due to natural emissions, air quality did not meet the 3-hour standard or the 24-hour standard in 2005-2006.

Nitrogen Dioxide (NO_2)

- There are no designated NO_2 nonattainment areas and all areas continue to meet the NAAQS.

Lead (Pb)

- Designated 13 areas, with a total population of 1.8 million people as nonattainment for Pb in 1992.
- Two nonattainment areas remain: the East Helena Area portion of Lewis and Clark Counties, Montana; and the area within the city limits of Herculaneum in Jefferson County, Missouri. Air quality monitoring is no longer conducted in the Montana area and air quality in the second area is violating the NAAQS.
- Missouri is revising their SIP to address the Jefferson County nonattainment problem.
- There are no new areas violating the lead NAAQS.

PM_{10}

- Designated 86 areas, with a total population of 35.8 million people, as nonattainment for PM_{10} in 1992.
- Forty-six nonattainment areas remain. Air quality in 29 of these areas is measuring attainment.
- There are 28 areas newly violating the PM_{10} NAAQS.
- There is one maintenance area violating the PM_{10} NAAQS.

In 2008, there was also progress in attaining the 8-hour ozone and the annual $PM_{2.5}$ NAAQS, with a small number of cases of new nonattainment. Specifically:

Ozone

- In 6/04, EPA designated and classified 126 areas, with a population of 159.3 million people, as nonattainment for 8-hour ozone based on air quality data collected primarily in 2001-2003.
- An increasing number of nonattainment areas are attaining the NAAQS. Air quality in 89 of the original 126 ozone areas is meeting the NAAQS based on data collect during 2004-2006.

- Seventy-three (73) nonattainment areas remain. Thirteen of the 14 Early Action Compact areas will be designated attainment on April 15, 2008.
- There is one area (Gregg County, TX) that is designated attainment with a monitor that is violating the ozone NAAQS.

$PM_{2.5}$

- In 4/05, EPA designated 39 areas as nonattainment for the $PM_{2.5}$ based on air quality data collected during 2001-2003. The total population was 88.4 million people in the $PM_{2.5}$ nonattainment areas. These areas include a combination of 208 whole and part counties including the District of Columbia.
- Some $PM_{2.5}$ design values in designated nonattainment areas are improving slightly, especially in the western U.S.
- Two designated nonattainment areas, Evansville, IN and Wheeling, WV-OH, are measuring attainment based on monitoring data collected during 2004-2006.
- There are 38 areas newly violating either the annual and/or the new 24-hour $PM_{2.5}$ NAAQS (35 micrograms per cubic meter). Only six of the 38 areas violated the annual and not the 24-hour NAAQS.

NAAQS – Priorities for FY 2009

States should:

- Review air quality reports and take appropriate actions dealing with new violating attainment areas with any of the NAAQS.
- As appropriate, submit redesignation requests including maintenance plans for areas with clean air quality data.
- Work with local area stakeholders to support innovative, voluntary, early action initiatives such as the 8-hour Ozone Flex.
- All state/local primary quality assurance organizations submit NAAQS pollutant data, PAMS, and QA data to AQS directly or indirectly through another organization according to schedule in 40 CFR Part 58.
- Continue to implement 8-hr ozone SIPs.
- Submit any outstanding ozone SIP elements (including prior commitments).
- Prepare for recommendations on designations for potential revised ozone NAAQS
- Implement NO_X Requirements under CAIR.
- Implement $PM_{2.5}$ SIP for 1997 NAAQS.
- Begin SIP planning for 2006 $PM_{2.5}$ NAAQS.
- Coordinate with EPA concerning recommendations and comments for 2006 $PM_{2.5}$ NAAQS designations.
- Work with local agencies to implement woodstove changeout programs in areas where changeouts could significantly reduce ambient particle concentrations.
- Explore feasibility of changing out existing outdoor wood-fired boilers to significantly reduce $PM_{2.5}$ concentrations.

Regional Haze – Priorities for FY 2009

States should:

- Continue to work with the Regions on issues related to their submitted regional haze SIPs.
- Implement BART requirements.

NAAQS Ambient Monitoring – Priorities for FY 2009

Regions work with states to ensure that the state's monitoring networks for NAAQS, $PM_{2.5}$speciation and PAMS meet applicable regulatory and guidance requirements. This includes the following specific actions:

- Operate monitors for NAAQS pollutants, $PM_{2.5}$speciation, and PAMS according to 40 CFR Part 58, approved monitoring plans, and/or grant agreements including QMPs and QAPPs.
- Submit NAAQS pollutant data, PAMS, NCore and QA data to AQS according to schedule in 40 CFR Part 58.
- Certify 2008 NAAQS pollutant data in AQS and provide supporting documentation by July 1, 2009 (state/local only, unless tribal work plan requirement).
- Submit annual network plan required by 40 CFR § 58.10, by July 1 unless another schedule has been approved (state/local only, unless tribal work plan requirement).
- Ensure adequate, independent QA audits of NAAQS monitors, including PEP and NPAP or equivalent (state/local only, unless tribal work plan requirement).
- Conduct monthly QA checks for flow rates of $PM_{2.5}$speciation monitors and submit data quarterly to AQS. Target is for 75% completeness. (state/local only, unless tribal work plan requirement).
- Assist in the changeover to IMPROVE-style carbon samplers at $PM_{2.5}$ speciation trends and supplemental site (state/local only).
- Report real time ozone and $PM_{2.5}$data to AirNOW for cities required to report the AQI (state/local only).
- Begin or continue first 5-year-cycle network assessment required by July 1, 2010 (state/local only, unless tribal work plan requirement).
- Include final NCore siting plan in Annual Monitoring Network Plan due July 1, 2009 (40 CFR § 58.10) (state/local only, unless tribal work plan requirement).
- Expand air quality reporting and forecasting to additional cities, including particle pollution forecasting.

Toxics Ambient Monitoring – Priorities for FY 2009

Regions work with states to ensure NATTS sites are operated according to EPA's technical guidance and the terms of the QAPP and QMP. This includes the following specific actions:

- Operate NATTS sites according to national technical guidance and in keeping with the terms of QAPP and QMP.
- Participate in inter-laboratory Proficiency Testing and Technical System Audit programs according to national guidance and based on the terms of approved QAPP and QMP (state/local only).

- Submit NATTS data to AQS quarterly, within 120 days of end of each quarter. The data objective for completeness rate is 85% of the potential concentration values for each quarter (state/local only).
- Conduct federally funded community assessment projects consistent with grant terms (including schedule) and technical guidance and based on the terms of QAPP and QMP (state/local/tribal).
- Submit data from federally-funded community monitoring projects to AQS quarterly, within 120 days of end of each quarter. The data objective for completeness rate is 85% of the potential concentration values for the study period (state/local/tribal).
- Perform and publish/post local-scale monitoring data analyses in federally-funded community scale project plans (state/local/tribal).
- Recipients of the Community Scale Air Toxic Ambient Monitoring grants shall present their findings at the National Air Toxics Data Analysis Workshop (state/local/tribal).
- Operate study sites based on the terms of QAPP and QMP (state/local/tribal).
- Submit data to AQS quarterly. The target data completeness rate is 85% of the potential concentration values submitted within 120 days of end of each quarter (state/local/tribal).

Title V and NSR – Priorities for FY 2009

- Ensure sources submit Title V applications for renewal.
- Provide timeliness data on new title V permits and significant permit modifications to EPA Regional offices for entry into TOPS.
- Continue to issue initial permits, significant modifications and renewal Title V permits and reduce backlog of renewal permits.
- Cooperate with EPA in Title V permit program evaluations, set target to respond within 90 days to EPA's evaluation report and implement recommendations as warranted.
- Issue new Title V permits and significant permit modifications within 18 months of application completeness determined by permitting authority.
- Issue 78 % of major NSR permits within one year of receiving a complete permit application.
- Issue NSR permits consistent with CAA requirements and enter BACT/LAER determinations in the RBLC.
- Provide timeliness data on NSR permits issued for new major sources and major modifications by entering data including "the application accepted date" and "the permit issuance date" in to the RBLC national database.

Air Toxics – Priorities for FY 2009

- Quality assure, validate, and revise NEI facility data using EIS components.
- Collect data for the integrated 2008 HAP emissions inventory.
- Implement delegated or approved section 112, 111(d) and 129 standards, as appropriate, for major sources and area sources.
- Implement delegated residual risk standards.
- Work with communities to develop and implement voluntary air toxics programs that address outdoor, indoor, and mobile sources with emphasis on areas with potential environmental justice concerns.

TRIBAL AIR QUALITY MANAGEMENT

The national Tribal Air Quality Management Program includes funding for Indian tribes and Tribal Air Pollution Control Agencies, as well as providing training and support for tribes with typically small staffs and limited resources. Through CAA §103 grants, tribal air pollution control agencies, among others, may conduct and promote research, investigations, experiments, demonstrations, surveys, studies and training related to air pollution. Tribes typically use this funding source to research and investigate the air quality within, and emissions sources affecting, lands within their jurisdiction. Through CAA §105 grants, tribes may develop and implement programs for the prevention and control of air pollution or for the implementation of national primary and secondary ambient air quality standards. Tribes have the authority to set standards and develop additional programs to meet their unique needs. This authority is grounded in the CAA and the Tribal Authority Rule, as well as their inherent sovereign authority. For detailed grant guidance see Appendix A.

Strategy

EPA is committed to work with the tribes, our regulatory partners, to assist them in understanding their air quality, completing air quality assessments setting appropriate air quality goals, and developing air quality management programs where appropriate to meet those goals. The completion of air quality assessments in Indian country is achieved through a combination of training and technical support of tribal staff in areas such as conducting assessments, source characterizations, emission inventories, monitoring programs, modeling, and other analyses, as appropriate. At the same time, work continues to improve and facilitate tribal participation in the policy and programmatic aspects of the national air quality management program. As tribes gain experience, they are then better able to address their air quality concerns, and enhance their overall program development and participation. EPA is committed to supporting the National Tribal Air Association (NTAA) as a leadership and coordination organization, working to promote relationships between and amongst tribes and EPA. NTAA serves an important role in facilitating tribal involvement in EPA policy and regulatory development.

EPA is also committed to building tribal capacity, where appropriate, to implement—either directly through tribal regulations and Tribal Implementation Plans (TIPs) or as partners in implementation of applicable Federal Implementation Plans (FIPs)—CAA protections for human health and the environment in Indian country. A primary mechanism for this priority is to fund the Institute for Tribal Environmental Professionals (ITEP) in its role as a leader in tribal air quality training and technical support. The ITEP program provides an internationally-recognized curriculum, developed especially for the unique needs of Indian country. This program has been instrumental in assisting tribes in developing the necessary skills to start and implement air quality management programs for their reservations. ITEP and EPA together implement the Tribal Air Monitoring Support (TAMS) Center.

Tribal STAG funds are allocated to tribes through each Regional Office (except Region 3 which has no federally-recognized tribes) based on a formula that includes a number of factors such as tribal population, number of tribes, non-attainment areas, and number of Title V sources. Regional Offices then allocate funds to tribes within each Region based on additional factors related to risk, environmental goals, and tribal capacity. EPA STAG funding in recent years has

been unable to provide grants to every tribe requesting support, so this methodology allows funding decisions to be made in a nationally-consistent manner while seeking to maximize the local environmental benefit.

OAR supports many tribal efforts to understand and address air quality, and many tribes include monitoring programs in their activities. OAR provides funding to approximately 80 tribes to monitor a variety of pollutants of concern to them, and many tribes have provided an exemplary level of reliability and data capture in operating monitors of every type. To continue the effectiveness and relevancy of the tribal monitoring program, OAR expects the EPA Regional Offices and tribes to jointly determine where and why monitoring is necessary, while OAR provides technical assistance through the Tribal Air Monitoring Support (TAMS) Center.

EPA's strategy is to provide flexibility for tribes and Regional Offices to address the many different air quality situations on tribal lands on a case-by-case basis, rather than setting goals for tribes at the national level. Ambient air monitoring often, but not always, will be an appropriate one-time or continuing element of a tribal air quality assessment and management program. Section II of Appendix A of this document provides revised interim guidance to help tribal and Regional Office staff achieve clarity on the objectives of monitoring efforts.

Many (but not all) tribes regularly upload their monitoring data to AQS, where the data can be used by EPA to verify accomplishment of grant work plans and by interested parties to understand the air quality situation of the particular tribe. While recognizing the sensitivity of tribes to the use of their data, OAR expects tribal grants awarded in FY 2009 to include a commitment for quality-assured monitoring data to be submitted (directly by the tribe or other agreed arrangement) on a timely basis to AQS or other national database (e.g., AQS is not able to directly receive the data from the CASTNET or IMPROVE networks at this time). OAQPS is available to join the Regional Offices in pre-award consultations with any tribes where issues of data ownership and submission of data are of concern. EPA also encourages tribal participation in AirNow, but this should not be a condition required in the grants.

In FY 2009, attention should continue to be paid to the quality aspects of tribal air monitoring programs. Every new or renewed grant supporting ambient monitoring on tribal lands should require preparation and Regional Office approval of Quality Management Plans (QMPs) and Quality Assurance Project Plans (QAPPs) that clearly identify the purposes to be served by the monitoring. OAR has worked with the Regions and monitoring organizations to develop a graded approach for the development of these documents. The QAPP should provide that tribal monitoring include regular precision and accuracy checks, using Appendix A of 40 CFR Part 58 as general guidance, unless other quality assurance procedures are justified as more appropriate to the monitoring objectives. Data reporting to AQS should include reporting of the precision and accuracy check results. The TAMS Center provides training on these QA aspects of monitoring programs and has developed Turbo-QAPP software approved for use by OAQPS. Tribal QAPPs developed using this software should be generally approvable.

Our strategy includes specific funding to support tribal interest in air toxics. Tribes have started to increase their participation in air toxics issues, but are limited by availability of funding and resources to assess the level of impact and risk. However, tribes continue to be concerned about toxics, and often have disproportional impacts due to subsistence activities and lifestyles. This is particularly true where local problems may be caused by local and regional

sources such as industrial facilities and mobile sources. This also applies to toxic deposition and bioaccumulation of persistent bioaccumulative toxins, such as mercury, dioxin and PCBs. The 229 Alaska Native Villages, many of whom rely on traditional subsistence lifestyles, have expressed particular concern over local and international toxics, and Arctic peoples are known to suffer disproportionately high exposures to these toxic and persistent compounds.

Finally, to enhance the visibility of the OAR Tribal Program and to further integrate tribal issues and concerns into EPA's daily programmatic activities, Regions should, where appropriate, provide the tribes with the funding assistance necessary for reasonable participation in national level conferences, meetings, and planning activities. For example, there are several national conferences on topics such as monitoring, emission inventories, quality assurance, and data analysis. There are also a number of strategic planning efforts underway under the auspices of the Clean Air Act Advisory Committee that could benefit from consistent and meaningful tribal participation. Such provisions should be added, as appropriate, to the tribal grant workplans.

Status

The OAR Tribal Program has accomplished significant gains in the short number of years since its inception in 1996. Currently, 120 tribes receive grant support, and are operating approximately 150 air quality monitors in Indian country. Tribes have continued to progress from assessments to program development, and as of February 2008, 26 tribes have received delegations of CAA authority under the Tribal Authority Rule. Nineteen tribes have conducted emissions inventories that have been submitted to NEI, and we continue to provide training and technical support for this activity. This assessment work continues as new tribes become engaged in the air quality program and gain the staffing and expertise to begin this work.

Other tribes have begun to move beyond the assessment phase into program development. These more experienced tribes are beginning to complete and submit for approval Tribal Implementation Plans—two have been approved and two are pending approval. Tribes have also expressed interest in PSD redesignations to reclassify their airsheds for optimum protection against deterioration, and to-date, four tribes, with one pending, have redesignated their airsheds to Class 1 under PSD. We expect this trend to continue, and the National and Regional Tribal Operations Committees are reflecting this increasing interest in air programs in Indian country. EPA continues to strive to support the ongoing needs in this growing program.

In addition to assessments and program development, training and capacity building efforts are ongoing. In FY 2008, the NTAA engaged more meaningfully in various program and policy development initiatives, and assisted tribes considering and developing their individual air programs.

FY 2009 Priorities

Headquarters

- Provide support to tribes and regions for completion of emissions inventories and their submission to the Emissions Inventory database
- Provide training and technical support to tribes for air quality assessment and monitoring, including submission of quality assured data into the AQS system.

- Work with Regions to provide air quality outreach and training events to tribal staff, as appropriate.
- Provide grant and staff support to national tribal organizations to support effective tribal participation in policy development.
- Provide grant and staff support for training on national CAA policy issues.
- Invite tribes to participate in policy development and implementation workgroups.
- Support training for tribes on the SIP process.
- Provide meaningful notice and access to tribes for participation in rule or program development.
- Support training for tribes on the TAS and TIP processes.
- Support Regional FIP efforts.
- Promulgate the tribal NSR rule.
- Provide support for toxics training and outreach events to tribes and other opportunities for tribes to participate in air toxics reduction efforts.
- Provide support for training to tribes on voluntary programs.
- Provide support for tribal efforts to understand, assess, and respond to indoor air concerns on reservations.
- Work with Regions to assist interested tribes in implementing voluntary emission control retrofit programs for existing heavy-duty diesel engines/school buses.
- Continue to maintain and support the tribal database.
- Continue to provide guidance to tribes on planning and implementing air monitoring programs.
- Continue to provide guidance on implementing air monitoring programs.
- Continue to facilitate distribution of information to tribes by maintaining the EPA Tribal website and the Tribal Newsletter.

<u>Regions</u>

- Provide grant and technical support to interested tribes for the purpose of conducting air quality activities in Indian country.
- Provide support tribal air quality assessment and monitoring activities and submission of monitoring data into the AQS database.
- Work with HQ to provide air quality outreach and training events to tribal staff, as appropriate.
- Provide grant resources and staff support for tribes to participate in national level activities.
- Provide support for tribes on the SIP process.
- Provide grant resources and support to tribes for participation in rule or program development.
- Provide support for tribes on the TAS and TIP processes and act on TAS and TIP submittals.
- If necessary, identify areas requiring FIP and implement FIP development and implementation process.
- Issue Part 71 and construction (PSD) permits.
- Implement and enforce federal standards (NSPS NESHAP, etc.).
- Work with tribes to implement tribal, CAA, and voluntary emission control programs.
- Support RPO-related funding and technical activities.

- Support tribal capacity building with regard to understanding and addressing air toxics issues impacting reservations.
- Provide support for outreach events to tribes and other opportunities for tribes to participate in air toxics reduction efforts.
- Make outreach and training on voluntary programs available to tribes.
- Provide support and technical assistance to reservation and tribal communities to understand and address indoor air quality concerns.
- Work with HQ and interested tribes in implementing voluntary emission control retrofit programs for existing heavy-duty diesel engines impacting reservation and tribal communities.
- Work with HQ to conduct formal consultations with tribal leaders when necessary.
- Work with HQ to support tribal database by inputting appropriate data.

Tribes

- Attend air quality outreach events; participate in ozone or PM policy development, and/or regulatory response, as appropriate.
- Provide air quality monitoring or assessment data to EPA and/or AQS.
- Complete and submit emissions inventories to the Emissions Inventory System.
- Participate in national level meetings, conferences, and teleconferences on CAA policy development and seek training and support to build capability for effective participation.
- Participate in CAA rules and policy development that impacts Indian country.
- Submit eligibility determinations under the TAR.
- Submit TIPs to address air quality conditions for lands within the tribes' jurisdiction.
- Assist in FIP development and implementation process, as appropriate.
- Review and test new Emissions Inventory process and EIS components. Provide feedback to Regions.
- Provide outreach to tribal communities on both indoor and outdoor air toxics issues.
- Participate in training on voluntary programs to address air quality concerns.
- Attend indoor air quality training.
- Participate in indoor air quality assessment and outreach to reservation and tribal communities.
- Implement voluntary emission control retrofit programs for existing heavy-duty diesel engines.

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Indoor Air

Objective 1.2 - Healthier Indoor Air. Through 2012, working with partners, reduce human health risks by reducing exposure to indoor air contaminants through the promotion of voluntary actions by the public.

Sub-objective 1.2.1: Radon. By 2012, the number of future premature lung cancer deaths prevented annually through lowered radon exposure will increase to 1,250 from the 1997 baseline of 285 future premature lung cancer deaths prevented.

Sub-objective 1.2.2: Asthma. By 2012, the number of people taking all essential actions to reduce exposure to indoor environmental asthma triggers will increase to 6.5 million from the 2003 baseline of 3 million. EPA will place special emphasis on children and other disproportionately impacted populations.

Sub-objective 1.2.3: Schools. By 2012, the number of schools implementing an effective indoor air quality management plan will increase to 40,000 from the 2002 baseline of 25,000.

EPA addresses indoor air quality issues by developing and implementing voluntary outreach and partnership programs that inform and educate the public about indoor air quality and actions that can reduce potential risks in homes, schools, and workplaces. EPA also supports states and communities in developing and implementing comprehensive multi-stakeholder air toxics reduction efforts.

Through these voluntary programs, EPA disseminates information and works with national, international, state, tribal, and local governments; industry and professional groups; and the public to promote actions to reduce exposures to potentially harmful levels of indoor air pollutants including radon, asthma triggers including environmental tobacco smoke (ETS), and mold contamination in homes. EPA also transfers technology by providing detailed guidance on indoor air-related building design, operation, and maintenance practices to building owners, building managers, and school facility managers and easy-to-use tools to educators and school facility managers. A key focus area is on the environmental management of asthma triggers through outreach to schools, child care centers, health care providers, and the general public.

EPA also provides tribes with appropriate tools and assistance to address mold contamination as well indoor air toxics, such as radon, ETS, and particulate matter. EPA works with other federal agencies to provide guidance and assistance on how to reduce the exposure levels of these contaminants in all tribal communities.

Through the State Indoor Radon Grant (SIRG) Program, EPA helps states that have not yet established the basic elements of an effective radon assessment and mitigation program, and will support innovation and expansion in states that already have programs.

Our strategies for improving indoor air quality and increasing the number of people breathing healthier indoor air are implemented through two priority areas: 1) indoor environmental pollutants and triggers which cause or exacerbate respiratory-related illnesses, and 2) radon.

REDUCE RISKS FROM INDOOR ENVIRONMENTAL POLLUTANTS AND ASTHMA TRIGGERS

This program area takes both a pollutant-focused and a place-based approach to reduce the risk at the locations where people are exposed to indoor contaminants. EPA and its partners design and implement voluntary programs and activities that address environmental triggers of asthma (i.e. ETS, dust mites, pests, molds, nitrogen dioxide, and pet dander), indoor air quality in schools, and office building air quality management approaches through outreach, training, partnerships, educational activities, and guidance.

Our strategy includes: implementing a national, multi-faceted asthma education and outreach program to improve and expand the delivery of comprehensive asthma care; an ETS program primarily focused on protecting young children from ETS exposure by collaborating with federal, state, and local organizations on promoting smoke-free homes and cars; and a national education and outreach program to inform the public, schools, school districts, educators, and building professionals about the importance of creating and maintaining healthy indoor environments in schools and workplaces**.** EPA has identified the reduction of asthma attacks as a National Environmental Justice Priority. Our strategy is targeted to improve the environmental health outcomes of people including segments of the population that are socio-economically disadvantaged or disproportionately impacted such as children and low-income individuals.

Our program relies on several key implementation/educational tools:

- National public awareness and media campaigns;
- Community-based outreach and education. (e.g., educating caregivers of children on environmental triggers of asthma and exposure to ETS);
- Sound, user-friendly guidance tailored to the program's varied constituencies;
- Enhancement and application of programmatic support data; and
- Technology transfer.

Work Planned to be Completed in FY 2008

- Continue asthma outreach to health care/managed care organizations to train health care professionals on environmental asthma triggers and effective risk management strategies;
- Increase community level action by hosting the *Communities in Action for Asthma Friendly Environments* National Forum to support a national network of effective asthma programs designed to achieve environmental trigger risk reduction;
- Educate low-income families and children through EPA's Childhood Asthma Public Service Campaign and dissemination of materials and guidance designed for audiences with limited reading skills;
- Promote action through awareness and educational activities that encourage environmental management of asthma triggers including ETS;
- Collaborate on ETS awareness and education activities with other federal agency programs including HeadStart and tribal programs;
- Promote the Head Start/EPA partnership to help reduce secondhand smoke and asthma trigger exposure of children enrolled in Head Start and Early Head Start programs;

- Continue technical assistance to state and local organizations on ETS outreach and education efforts;
- Sponsor the annual Indoor Air Quality Tools for Schools Symposium and National IAQ Tools for Schools Awards Program;
- Continue to facilitate learning within the schools IAQ community through access to best practices and mentors;
- Promote adoption of Healthy School Environments Assessment Tool (Healthy SEAT) and IAQ Design Tools for Schools Guidance;
- Continue work with national school organizations to expand implementation of Tools for Schools; and
- Improve understanding of effective interventions and improve tools for measuring results.

FY 2009 Priorities for the Regions

- Continue to serve as the local, community-based point of contact to disseminate information and foster implementation of the indoor air programs;
- Work with national partner state/field affiliates, state and local partners, and coalitions to reduce risks from indoor pollutants and asthma triggers;
- Oversee grants to reduce risks from indoor pollutants and asthma triggers, particularly in homes, schools and day care centers;
- Work with school districts and other school organizations to promote adoption of effective indoor air quality management programs in schools; and
- Work with state and local partners and tribes to ensure that reducing exposure to indoor pollutants and asthma triggers is included in policies of state and local Asthma Plans.

RADON

The voluntary radon program aims to significantly reduce the number of radon-induced lung cancer deaths in the U.S. The national goal is to approximately double number of lives saved through radon risk reduction within the next five years.

The program's primary focus is on radon risk reduction in homes. EPA uses information dissemination, social marketing techniques, and partnerships with influential public health and environmental organizations to drive action at the national level. The SIRG program is a primary vehicle to drive action at the state, tribal and local level.

The two primary methods to achieve our risk reduction goals are:

- Building healthier green homes with radon-resistant new construction; and
- Reducing radon in existing homes.

A third method is to reduce the risk to children and adults in schools:

- Reducing radon in schools and building new schools with radon-reducing features.

The principal mechanisms to achieve these results are:

- Builders voluntarily building radon-resistant new homes;
- State and local governments adopting building codes that include radon reduction;
- Homeowners voluntarily fixing their homes with high radon levels;
- Sellers/buyers fixing homes within real estate transactions; and
- Schools reducing radon through "IAQ Tools for Schools" or other program.

Work Planned to be Completed in FY 2008

In FY 2008, EPA will continue to make progress on our goal to double the number of lives saved by 2012. Areas of emphasis will include: promoting voluntary radon-reduction in new residential construction by builders and code adoption by state-local governments, promoting best practices and strategies through the Radon Leaders Saving Lives Campaign launched in 2007 in partnership with the states and industry, increasing and facilitating cooperation and alignment between industry and the states, and increasing results and accountability in the state radon grant programs.

FY 2009 Priorities for the Regions

- Use the SIRG results measures template and approve work plans that reflect EPA's radon priorities;
- Administer/monitor programmatic and SIRG grant recipient performance for results and encourage the timely expenditure of grant funds (older funds first);
- Participate in national and regional radon meetings;
- Support the Radon Leaders Saving Lives campaign; and
- Use Radon Action Month as a way to drive action throughout the year.

++ End of Section ++

Stratospheric Ozone

Objective 1.3 - Protect the Ozone Layer. By 2011, total effective equivalent stratospheric chlorine will have reached its peak and begun its gradual decline to a value less than 3.4 parts per billion of air by volume.

Strategic Targets:

- By 2015, reduce U.S. consumption of Class II ozone-depleting substances to less than 1,520 metric tons per year of ozone-depletion potential from the 2003 baseline of 9,900 metric tons per year.

- By 2165, return the incidence of melanoma skin cancer to 14 new skin cancer cases avoided per 100,000 people, which was the 1990 baseline (13.8 cases avoided per 100,000 people). (Note: Text reflects information more current than that published in 2006 Strategic Plan.)

As a signatory to the Montreal Protocol on Substances That Deplete the Ozone Layer (Montreal Protocol), the U.S. is obligated to regulate and enforce its terms domestically. In accordance with this international treaty and related Clean Air Act (CAA) requirements, EPA will continue to implement the domestic rulemaking agenda for the reduction and control of ozone-depleting substances (ODS), such as chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and methyl bromide, and enforce rules controlling their production, import, and emission. Implementation involves a combination of market-based regulatory approaches and development and commercialization of alternatives to ozone-depleting substances. We will strengthen outreach efforts to ensure efficient and effective compliance, and continue to identify and promote safer alternatives to curtail stratospheric ozone depletion. To help reduce international emissions, particularly in light of the more aggressive phasedown requirements adopted by Montreal Protocol signatories in September 2007, we will assist developing countries through transfer of technology and U.S. expertise in the development and implementation of cap-and-trade licensing systems.

Because the ozone layer is not expected to recover until the middle of this century at the earliest, the public will continue to be exposed to higher levels of ultra-violet (UV) radiation than existed prior to the use and emission of ODS. Recognizing this fact and the public's current sun-exposure practices, EPA will continue education and outreach efforts to encourage behavioral changes as the primary means of reducing UV-related health risks.

DOMESTIC PROGRAMS

EPA leads regulatory and voluntary programs to restore the ozone layer and reduce public health risk. For the period 2009, EPA's domestic strategy for stratospheric ozone protection will focus on:

- Undertaking measures to ensure successful transition of industries to non-ozone depleting alternatives to HCFCs, which are subject to a production phaseout under the CAA.

- Limiting production of class I substances such as CFC-11, CFC-12, and methyl bromide to uses identified as critical or essential under the Montreal Protocol.

Status: For class II substances (HCFCs), EPA has phased out production of HCFC-141b and is developing a regulatory framework to continue the phasedown, including meeting the goal in the 2007 Montreal Adjustments of meeting a 75% reduction from baseline by 2010.

FY 2009 Milestones and Priorities

- EPA administers the critical use exemption for production of methyl bromide as allowed under the Montreal Protocol.
- EPA allocates production and consumption allowances HCFCs to ensure U.S. compliance with caps under the Montreal Protocol.
- EPA adopts an electronic reporting system to improve the efficiency, accuracy, and timeliness of reporting by regulated entities.
- EPA continues the combination of regulatory and voluntary activities to ensure safe handling, recovery, and disposal of ozone-depleting refrigerants, including implementation of the new GreenChill and Responsible Appliance Disposal voluntary programs.
- EPA continues implementing the Significant New Alternatives Program (SNAP) to foster the transition to ozone-safe alternatives.
- Regions carry out enforcement actions related to programs under Title VI of the CAA, including servicing of motor vehicle air conditioners, recycling of ODS, and emissions of phased-out substances. For additional information see the National Program Guidance issued by the Office of Enforcement and Compliance Assurance.

MULTILATERAL FUND

This program includes the Multilateral Fund, which promotes international compliance with the Montreal Protocol by financing the incremental cost of converting existing industries in developing countries to cost-effective, ozone-friendly technology. Our strategy is to continue to support the Ozone Secretariat's Multilateral Fund, which provides resources to developing nations to facilitate their transition to non-ODS. In 2009 we will focus on:

- Maximizing developing country reductions in ODS by moving aggressively from a project-by-project approach to a national phase-out strategy approach.
- Accelerating the shift to CFC alternatives by accelerating the closure of CFC manufacturers in developing countries.
- Increasing support to developing country institutions to enable effective implementation of policy measures.

Status

To date, the Fund has supported over 5,500 activities in 144 countries that, when fully implemented, will prevent annual emissions of more than 235,546 metric tons of ODS. In addition, the Fund has reached long-term agreements to dismantle virtually all CFC and halon production capacity in developing countries. Final closure of related facilities depends on continued funding. EPA's FY 2007 contribution to the Multilateral Fund helped the Fund support cost-effective projects designed to build capacity and eliminate ODS production and consumption in over 60 developing countries.

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Radiation Protection

Objective 1.4 - Radiation. Through 2011, working with partners, minimize unnecessary releases of radiation and be prepared to minimize impacts to human health and the environment should unwanted releases occur.

Strategic Targets:

- By 2011, 77% of the U.S. land area will be covered by the RadNet ambient radiation air monitoring system. (2001 baseline is 35% of the U.S. land area)

- By 2011, the radiation program will maintain a 90% level of readiness of radiation program personnel and assets to support federal radiological emergency response and recovery operations. (2005 baseline is a 50% level of readiness.)

EPA works with federal, state, tribal, and local agencies to prevent public exposure to harmful levels of radiation in the environment. The Agency assesses exposure risks, manages radioactive releases and exposures, ensures proper management of radioactive materials, and provides the public with information about radiation and its hazards. EPA also maintains a high level of preparedness to respond to radiological emergencies and potential acts of terrorism. EPA's strategies for radiation include:

- Radiation Protection;
- Radiation Emergency Response Preparedness; and
- Homeland Security and Emergency Response and Recovery

EPA continues to improve radioactive waste management through guidance, technical tools, assessment, regulatory amendments as necessary, and radiation-specific analytical and technical support. EPA also is continuing its commitment to Emergency Response/Homeland Security.

The Radiation Program continues to integrate radiation data into the Agency's information systems and make radiation information more accessible to the public. The program is enhancing the national environmental radiation monitoring system (RadNet) to better respond to radiation emergencies and prepare for potential terrorist threats and continues programs to provide guidance and tools to other federal agencies, as well as state, local, and tribal governments, our stakeholders, and partners. We also are continuing efforts to create and enhance voluntary programs to better track radioactive materials, find alternatives to radiation sources in industry, and improve disposal options for radioactive sources in commerce.

RADIATION PROTECTION

This program includes activities for radiation clean up, federal guidance, risk modeling, Clean Materials, Waste Isolation Pilot Plant (WIPP), Yucca Mountain standards development, radiation air toxics, technologically-enhanced naturally-occurring radioactive material

(TENORM), radiation waste management, and radioactive and mixed-waste operations and measurements.

Using a collaborative strategy, EPA works with the public, industry, states, tribes, and other governmental agencies to inform and educate people about radiation risks and promote actions that reduce human exposure. EPA also provides radiation guidance and tools and develops regulations as appropriate, to control radiation releases. Key programmatic activities include:

- Preventing future losses of radioactive materials, including sealed sources, domestically and internationally;
- Promoting the safety of the U.S. and international metal supply;
- Ensuring continued compliance with EPA regulations and EPA oversight for DOE waste disposal activities at the WIPP;
- Promoting the reduction and management of radiation risks in a consistent and safe manner at Superfund, DOE, DOD, state, local, and other federal sites;
- Assessing exposure risks and providing information about radiation and its hazards;
- Maintaining appropriate methods to manage radioactive releases and exposures including evaluating remediation technologies for radioactively contaminated sites;
- Evaluating the human health and environmental risks from radiation exposure and mitigating impacts to the public;
- Providing national-level guidance on the risks posed by radioactive materials in the environment; and
- Enhancing voluntary programs to track radioactive materials more effectively, find alternatives to radiation sources in industry, and improve disposal options for radioactive sources in commerce.

FY 2009 Priorities

- Additional quantities of radioactive waste certified by EPA as properly disposed will be deposited at the WIPP in 2009;
- Regions continue to serve as the local, community-based point of contact to disseminate information on EPA's radiation protection program;
- Regions will provide, as requested, technical support to state radiation, solid waste, environmental and health programs; and
- Regions work with states on issues involving TENORM that include issues associated with mining legacy waste disposal and water treatment residuals.

RADIATION EMERGENCY RESPONSE PREPAREDNESS

This program includes federal preparedness activities, ORIA programmatic readiness, Radiological Emergency Response Team (RERT) personnel and equipment readiness, development and participation in exercises, training and outreach, radiological emergency response guidance, and RadNet, the national environmental radiation monitoring system.

Using a collaborative strategy, EPA works with tribes, federal, state and local agencies to ensure that the appropriate parties are fully informed and prepared to respond should an incident

involving radiation occur. EPA's key activities supporting radiation response preparedness include:

- Preparing to respond to incidents involving radioactive materials through training, infrastructure development, regular exercises, and field experience;
- Issuing Protective Action Guides;
- Coordinating with other organizations to ensure thorough response and preparedness planning; and
- Providing radioanalytical laboratory capabilities, supporting nationwide development of increased laboratory capacity.

FY 2009 Priorities

- The Radiological Emergency Response Team (RERT) will continue to work toward establishing team readiness; and
- Regions will continue to serve as the local, community-based point of contact to disseminate information on EPA's radiation response and preparedness program, activities, and capabilities. As appropriate, Regions should:
    - Provide technical support to state radiation control programs;
    - Support EPA's radiation emergency response operations, including the assignment of personnel to serve as Regional radiation advisor and an RERT liaison;
    - Participate in radiological response exercises;
    - Increase Regional capacity with the RERT in conjunction with the Superfund program; and
    - Support enrollment of personnel in Response Support Corps.

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, RESPONSE, AND RECOVERY

In addition to the Radiation Response Preparedness activities, this program includes efforts to develop plans, procedures, and maintain readiness to respond to releases caused specifically by intentional radiological incidents. EPA will ensure readiness of radiological response personnel and equipment through planning, training, and exercises. EPA will coordinate homeland security activities across the Agency, with the Department of Homeland Security and other federal agencies to ensure consistency with the National Response Framework.

Strategy

EPA's strategy for Homeland Security Preparedness, Response, and Recovery builds upon the efforts discussed under Radiation Response Preparedness. In addition to overall coordination activities, EPA is significantly upgrading its environmental monitoring network for radiation (RadNet) by expanding its ambient radiation monitoring capabilities. RadNet provides EPA data on ambient levels of radiation in the environment, with data for radiological emergency response assessments, and data for public officials and the general public.

FY 2009 Milestones and Priorities

- In FY 2009, EPA will purchase and deploy additional state-of-the-art radiation monitoring units; and
- Regions will provide leadership in coordinating the installation of RadNet monitors, assist with identifying station operators, and serve as the local, community-based point of contact to disseminate information on EPA's national radiation monitoring system.

++ End of Section ++

Climate Change

Objective 1.5 - Reduce Greenhouse Gas Emissions. By 2012, 160 million metric tons of carbon equivalent (MMTCE) of emissions will be reduced through EPA's voluntary climate protection programs.

Sub-objective 1.5.1: Buildings Sector. By 2012, 46 MMTCE will be reduced in the buildings sector (compared to the 2002 level).

Sub-objective 1.5.2: Industrial Sector. By 2012, 99 MMTCE will be reduced in the industry sector (compared to the 2002 level).

Sub-objective 1.5.3: Transportation Sector. By 2012, 15 MMTCE will be reduced in the transportation sector (compared to the 2002 level).

In 2002, President Bush announced a U.S. climate policy to reduce the greenhouse gas (GHG) intensity of the U.S. economy by 18% over the next decade. EPA's strategy for helping to improve GHG intensity is to enhance its partnerships with businesses and other sectors through programs that deliver multiple benefits in addition to reducing GHG intensity—from cleaner air to lower energy bills. At the core of these efforts are voluntary government-industry partnership programs designed to capitalize on the opportunities that consumers, businesses, and organizations have for making sound investments in efficient equipment, policies and practices, and transportation choices.

CLIMATE PROTECTION PROGRAM

This program includes voluntary domestic and international programs that address GHG and climate change issues. Efforts are aimed at reducing emissions of GHGs and mitigating the effects of global climate change on the environment and human health while growing the economy. EPA's strategy is to:

- Continue the successful Energy Star partnerships in the residential and commercial buildings sector by adding new products to the Energy Star family;

- Raise awareness of the Energy Star label for products, buildings, and homes, and promoting superior energy management to public and private sector organizations of all sizes in all regions of the country.

- Continue building on the success of voluntary programs in the industrial sector by:

    - enhancing the rate of energy and resource efficiency improvements through the Energy Star and WasteWise programs;
    - promoting the Energy Star label for industrial plants and expanding opportunities to provide energy benchmarking tools to industry;

- cost-effectively keeping emissions of methane at 1990 levels or below through 2010; and,
- cost-effectively limiting emissions of the more potent greenhouse gases (HFCs, PFCs, SF_6); and facilitating the use of clean energy technologies and purchases of renewable energy.

- Reduce international GHGs through the Methane to Markets Partnership by promoting and deploying cost-effective methane recovery technologies among other countries and the U.S. private sector.

- Advance the President's goal for cleaner and more efficient technologies and practices through the Asia-Pacific Partnership on Clean Development and Climate (www.asiapacificpartnership.org).

- Continue the SmartWay Transport Partnership (a part of the Administration's Climate Change Technology Program) to increase energy efficiency and lower emissions of freight transportation by: increasing the market penetration of advanced heavy-duty diesel tractor and trailer technologies; implementing innovative financing strategies; developing a supply chain system to allow freight companies to select, measure, and certify their environmental performance; and, by enhancing existing SmartWay GHG measurement tools so they can be used to certify emission reductions from fleet-level projects.

- Work with financial experts to identify and develop tools, resources, and programs for states and regional authorities to implement innovative financing programs to deliver lower cost financing to diesel truck and nonroad equipment buyers (many of who are low-income and minority owner operations and businesses) for the purpose of upgrading the environmental performance of their diesel trucks or equipment.

- Implement the renewable fuel provisions in the Energy Independence and Security Act to maximize the potential of these fuels to reduce GHG intensity and improve air quality.

- Continue to develop and demonstrate innovative fuel-efficient and clean vehicle and engine technologies. This includes ongoing work with automotive industry partners to transfer EPA's engineering expertise and advanced technologies to commercial application.

FY 2009 Priorities for Regions: Lead by example in the area of energy efficiency and clean energy and promote making the cleaner energy choice to stakeholders. This includes:

- Make commitments to procure Energy Star-qualified products and encouraging other organizations to do the same.

- Ensure tribal governments and communities are included as partners in GHG activities and participate in and benefit from ongoing coordinated efforts and outreach programs.

- Ensure that the power management feature of Energy Star-qualified computer monitors is enabled and encouraging other organizations to do the same.

- Rate the energy performance of buildings, schools, hospitals, etc., using EPA's national energy performance rating system, apply for the Energy Star label for the qualifying superior buildings, and determine improvement plans for those that do not currently qualify; and encourage other organizations to do the same.

- Join the Energy Star Buildings Challenge and promote a 10% or more reduction in energy use in buildings.

- Ensure that new building designs are "Designed to Earn the Energy Star" where applicable.

- Support the efforts of local governments in implementing the Energy Star Buildings Challenge.

- Promote the use of the ENERGY STAR@Home, ENERGY STAR Yard Stick, and Home Energy Advisor web-tools to help homeowners make informed decisions about energy efficiency for their homes.

- Make or encourage energy efficiency improvements and clean energy choices by promoting a range of innovative financial and policy mechanisms, including:

    - purchasing green power integrating energy efficiency and clean energy into air quality plans (i.e., SIPs), and state supplemental environmental projects (SEPs);

    - promoting the recovery and use of methane as a clean energy source through EPA's methane partnership programs (e.g., landfills, agricultural waste, coal mines, and oil/gas operations);

    - creating pilot programs to use commercially-available advanced technology in fleets (such as state/municipal vehicles, school buses, or refuse vehicles) to produce cost-effective emissions and fuel consumption reductions;

    - expanding implementation of SmartWay innovative financing programs to provide increased access to lower cost loans to help small and medium sized trucking companies purchase fuel saving technologies and emission control devices;

    - working with HQ on RFPs for the Diesel Emissions Reduction Program which may include requests for projects that include working with financial experts to implement innovative financing programs to deliver lower cost financing to diesel truck and nonroad equipment buyers, many of whom are low-income and minority-owner operations and businesses operating in EJ areas;

    - developing a network of SmartWay Truck dealers who can sell, install, and finance the SmartWay Upgrade Kit, which includes auxiliary power units, low-rolling resistant tires, advance aerodynamics, and emission control devices;

- continuing to recruit SmartWay partners with an emphasis on truck stops that supports SmartWay's idle reduction goals, shippers that will hire SmartWay truckers, and small and medium sized truckers who do not have the capital to finance the SmartWay Upgrade Kit;

- helping consumers and businesses more easily identify light and heavy duty vehicles that deliver superior fuel economy and emissions by identifying vehicles that meet the SmartWay criteria; and,

- increasing consumer and business awareness and access to E85 gasoline and bio-diesel fuels through the Administration's SmartWay Grow and Go Initiative.

++ End of Section ++